

## Interview with William T. Breer

The Association for Diplomatic Studies and Training Foreign Affairs Oral History Project

WILLIAM T. BREER

Interviewed by: Charles Stuart Kennedy

Initial interview date: May 6, 1999

Copyright 2003 ADST

[Note: This interview has not been edited by Mr. Breer]

Q: Today is May 6, 1999. This is an interview with William T. Breer being done on behalf of the Association for Diplomatic Studies and Training, and I am Charles Stuart Kennedy. Let's start at the beginning. Could you tell me when and where you were born and something about your family.

BREER: I was born in February, 1936 in Los Angeles. My great grandfather migrated to Los Angeles from Germany in 1849. My paternal grandfather was born in England. My father was a major contractor in Los Angeles at the time of my birth. He had gone to Stanford. My great uncle went to Stanford and graduated during the earthquake as class of 1908.

Q: *Los Angeles is such a big place, where in Los Angeles?*

BREER: I was actually born in Glendale although we lived at that time in north Hollywood, which was part of the city but yet a separate city. We moved shortly thereafter to San Marino and I went through the secondary school system there graduating from South Pasadena High School.

## Library of Congress

*Q: Did you go to the Henry Huntington School?*

BREER: Yes. Did you go to Stonemen School too?

*Q: I was a senior there in the third grade at that time. We lived on Marine Road in San Marino. I also went to Southbass Junior High. So, we are alumni.*

BREER: Did you go to South Pasadena High School?

*Q: No, my brothers did. They are 10 years older than I am. They were there during the famous shootout when the principal killed a few teachers. This was during the '30s. How did you find the South Pasadena system at that time?*

BREER: I think we all thought it was excellent at that time. There were 25 classmates of mine who went to Stanford. Practically everybody went to college. Four of us went to East ivy league schools. It was kind of a gilded cage. We really didn't know much about the world and we were surprised to find that there were people from other walks of life.

*Q: Was San Marino at that time, I know it is now, quite heavilupper middle class Oriental?*

BREER: At that time it was 99 percent Anglo-Saxon and very feCatholics or Jewish kids.

*Q: It was also rather conservative wasn't it?*

BREER: Yes. Ninety percent Republican.

*Q: A classmate mate of mine from Henry Huntington was a congressmathere, Henry Rooslow. We were in the same small class together.*

BREER: Miss Wilson's class.

*Q: While you were there what were your interests?*

## Library of Congress

BREER: Nothing really distinguished. I wasn't a jock. I did learn to ski and liked physics and math. We spent a lot of time at the beach and fished a lot.

*Q: Any particular books you were interested in?*

BREER: I read books but can't remember any particular ones.

*Q: Did the Orient intrude at all in your outlook?*

BREER: Not in those days, except that my mother had a Nisehairstresser. There was one Nisei in our high school class.

*Q: When I was at Southbass Junior High, the president of our clas(1940, I think) was a Nisei.*

BREER: Who was later interned?

*Q: Well, I don't know, this was before they were interned.*

BREER: My class was basically Anglo and Protestant. Now, I thinSan Marino is half Chinese.

*Q: It certainly appears that way when I walk down the streets. Where did you go to college?*

BREER: I went to Dartmouth.

*Q: What attracted you there rather than Stanford?*

BREER: To do something different. My brother also went to Stanford as well as some cousins. My uncle's brother-in-law had gone to Dartmouth and had mentioned that and sort of pushed it a little bit, so I got the information. Then a Dartmouth recruiter came to

## Library of Congress

town to encourage some of us to apply at Dartmouth. So, we did. I was accepted and thought it would be great being in New Hampshire as I had never been east of Colorado.

*Q: Well, you certainly found yourself in the wilderness.*

BREER: I took the train up from New York City and my first impression was that you can't see anything from a train because of the woods. In California, of course, you could.

*Q: What class were you at Dartmouth?*

BREER: Class of 1957.

*Q: At Dartmouth, what did you major in?*

BREER: English.

*Q: Did you get your winter sports in and all that?*

BREER: Yes, a fair amount. I went out for the crew the first fall semester and I made the freshmen light weight crew spending a lot of time on that.

*Q: Where did you row?*

BREER: On the Connecticut River. It was a wonderful course with about 20 miles of navigable water. Hanover is just above the dam.

*Q: Was there much of an international connection at Dartmouth?*

BREER: In the senior year there was a course called "Great Issues" which was required of all seniors and consisted of usually a Monday lecture by a famous figure, followed by two roundtable seminars later on. It was very interesting. But, I didn't have any particular interest in East Asia at that time.

## Library of Congress

*Q: Did the McCarthy period hit you at Dartmouth at all?*

BREER: I wasn't conscious of it. I did think that the government professor I had was too liberal having come from San Marino which is too conservative.

Q: That was General Patton's home ground. For those of you who don't know you can look at General Patton and say that he was a good San Marino.

BREER: Ginger Patton was in my class or a year behind me in high school.

Q: Jack Patton, a nephew or something, was my best friend while I was there. When you left Dartmouth after getting an English degree what were you thinking of?

BREER: I was thinking of going to law school, but I was also thinking that writing and immersion in English literature was useful. But, I never did learn to like writing very much.

*Q: In 1957 you graduated. What happened?*

BREER: I was in the army ROTC and went into the army for six months. Q: What branch of the army?

BREER: The army adjutant general's office.

*Q: Where did you serve?*

BREER: Fort Benjamin Harrison in Indiana.

*Q: That is mainly accounting or something like that isn't it?*

BREER: The army adjutant general's school is there. It was six months because the army didn't have any money to pay people any longer than that.

*Q: What did you do when you got out of the army?*

## Library of Congress

BREER: At the end of the six months, a friend and I took three-month trip through Europe and then I went to law school.

*Q: What was your impression of Europe at that time?*

BREER: It was fascinating. We had a good time and saw all the right things. I had taken an architecture course at Dartmouth so it was fascinating to see all the things I had studied. We partied, went to the opera and concerts and saw the sights. We went by ship at that time.

*Q: Did foreign service life intrude at all on you while you were iEurope?*

BREER: No. We met some people in Switzerland who lived there and were friends of my friend's parents and it seemed rather intriguing to live in Geneva. It looked like it would be fun to live abroad but that was about all.

*Q: Was anybody at Dartmouth pushing the foreign service?*

BREER: Well, John Dickey, president at the time, had served in thState Department and was a tremendous advocate of public service.

*Q: Public service was certainly an honorable thing to look forwardto in those days.*

BREER: Dickey was a tremendous president and the "Great Issues" course I mentioned was his invention. He spent a lot of time talking about public service and was very eloquent in expressing his views.

*Q: He was a very well known educator. You went to Stanford to laschool?*

BREER: Just for one year.

*Q: Why one year?*

## Library of Congress

BREER: I intended to finish but the summer at the end of the first year....I had already worked in a law office and I decided I had the wherewithal to travel so I took a trip around the world. I spent 30 days in Russia on an Intourist tour. That was the same year Nixon had the debate with Khrushchev (the kitchen cabinet stuff) and one of the people in our group spoke pretty good Russian so we were more liberated than most visitors were, although we were still guided around by Intourist. I spent a few days in Afghanistan and another month in India where I met a foreign service family there staying on a boat. During the course of all this I began to think about the foreign service. I really didn't know much about it and didn't have any written material on it. I inquired, though, at Stanford when I was there but there wasn't much material on the foreign service that I could find. Then I traveled Southeast Asia a little bit and saw Angkor Wat when it was really kind of nice. I had a fraternity brother whose father was Japanese and had graduated in the class of '15 and his brother had graduated in class of '43. I looked him up when I got to Japan and inquired at the embassy about the foreign service exam and signed up for that. These Japanese friends had guaranteed my stay, helped me find an apartment and a language school. I figured I needed a language and might as well study Japanese. Being from California, Japan was kind of intriguing. I had seen all the war movies and hate stuff but I didn't feel any of that. I passed the foreign service exam miraculously.

*Q: This is the written exam. Had you done any preparation for it aall?*

BREER: No.

*Q: How long were you in Japan?*

BREER: Five months. I came home the following summer and took the oral exam in Los Angeles.

*Q: Do you recall any of the questions asked?*

## Library of Congress

BREER: Have you talked to people who could?

Q: Yes. Some people couldn't remember a thing while other ones would remember usually things that they didn't answer. Were you able to find out more about the foreign service while in Japan?

BREER: Not a great deal. I didn't know anybody in the foreign service except this family that I met in India and they were very nice. I had dinner with them. It just seemed like it would be fun to live abroad and do things for your country.

*Q: You came in when?*

BREER: In 1961.

*Q: Did the Kennedy enthusiasm for public service and all at all touch you?*

BREER: Yes. I got to Washington just when Kennedy was inaugurated, January 1961.

*Q: What was your class like?*

BREER: There was one diplomat's son, that of U. Alexis Johnson, Steve. There were three guys from Harvard, two of which left right away. Bob Service, John Service's son.

*Q: Yes, I interviewed him.*

BREER: One fellow played the cello. I went to Japan and didn't keep in very close touch. I would see Bob Service a lot. I thought they were all extremely bright and much better prepared than I because I hadn't studied government or international relations.

Q: My own personal experience and others I have talked to you sort of look around and wonder how you got into this particular group. Were you sort of pointing yourself towards Japan at that time?



## Library of Congress

BREER: Yes. My first assignment was back to Japan for more language training. I got married on the way and we arrived about the same month that Reischauer did.

Q: How did you meet your wife?

BREER: We met in Japan where she was sitting next to me in the language school. She had visited with her family that summer. Her father was involved in an Episcopal lay organization that supported missionary effort in the hills of Yamanashi near Tokyo. The group went to see it. Her father had a Japanese friend who they saw and asked Peggy what were her plans. She said she didn't have any and he said why not stay on for a few months sightseeing and studying, etc. She was also invited to stay in their house which had no flush toilets. It was way up in the northern end of Tokyo and kind of an out of the way place. It had no heat. I got in touch with the Dartmouth club in Tokyo and made a lot of friends and so did she. One guy said he had a great apartment which is only 15,000 yen a month. He said 15,000 yen was his starting salary three years ago.

Q: *How did the language school work in those days?*

BREER: It was an old line language school that was run mainly for missionaries, a private school. It is still there, I think, called the Naga English School. A guy named Naganuba had taught diplomats, including Alexis Johnson, before the war.

Q: *You came back in 1961 and was at the Japanese training school from when to when?*

BREER: I took the basic A-100 officer's class and had some area studies. Then I went to Japan and entered the State Department language school in Tokyo for six months.

Q: *That was from when to when?*

BREER: June or July 1961 through December 1961. Then I was assigned to the consulate general in Yokohama.

## Library of Congress

*Q: How did you find the language school?*

BREER: I found it very good. It wasn't dissimilar from the other language school. It started off with Mr. Naganuba's books and then people developed their own after that.

*Q: How many were in your class?*

BREER: There were 20 all together in the language school from thUSIA, State and other agencies.

*Q: Was the normal course six months?*

BREER: The six months was really a test course to see if people were genuinely interested rather than forcing people through two years and having them quit after nine months or something. I, of course, came with a jump start to the six month program. Afterwards the junior officers were given an assignment in Tokyo and if they wanted to pursue Japanese studies they went back to school for a year and a half more. So, there was no fixed program.

*Q: What was the corridor word you were getting when you joined the State Department about taking Japanese and becoming a Japanese specialist?*

BREER: I was never in the corridors very much. I was in the A-100 course at FSI (Foreign Service Institute). I didn't know very much about the Japan speciality. I guess the answer is that I just wanted to go back to Japan.

*Q: Did you pick up anything about being a Japanese specialist wheyou went to language school in Tokyo?*

BREER: Bits and pieces, but a lot of us were brand new to Japan. I didn't pick up anything like that right away. There were several senior officers, but they came later. The DCM (deputy chief of mission) at the time was not a Japan specialist, nor was the political

## Library of Congress

counselor in 1961. Bill Leonhart was the DCM, left over from the MacArthur years, and Jack Goodyear was the political counselor. There were some Japan specialists at more junior levels at the embassy but I didn't know them. I didn't mingle with people from the embassy very much while at language school. Then a couple of old hands came back. Tom Shoesmith. Do you know him?

*Q: Yes, I have interviewed him.*

BREER: But, most of the people at the language school were beginners, I think. At that time we didn't have the year's training in Washington as a routine thing.

*Q: You went to Yokohama from 1962 to when?*

BREER: About a year, I guess, until they closed the post.

*Q: What were you doing there?*

BREER: I was a consular officer doing shipping.

*Q: Who was consul general there?*

BREER: Juan de Zengotita.

*Q: What was his background?*

BREER: I think labor. He later became labor attach# in Canberra iAustralia.

*Q: What was your impression of the Japanese government, how Japaworked at that time?*

BREER: I thought it was kind of chaotic. Tokyo and Japan were in utter chaos when I first arrived, I think. Except for the A, B, C signs the occupation put up there were very few street names, although there are many more now. In those days I really didn't know much about the Japanese government. When I first went to Yokohama there were about five

## Library of Congress

officer there - political reporter, economic guy, a couple of consular officers and the consul general. We used to do shipping, dealing with long shipping documents. I had to sign off for some huge guy, a sailor. What do we do for shipping documents now?

*Q: It has changed but I'm not sure of the details.*

BREER: We had a visa section, of course, which they moved and consolidated with Tokyo over time. They left a skeleton staff there for a while. So, I moved into the consular section in Tokyo about the end of 1962.

*Q: Were the visas mostly visitor visas then?*

BREER: Well, there were a lot of marriages and a lot of immigration visas. A lot of business people and E-1s. Mostly men in those days. The wives sometimes didn't go or sometimes went a year later. Not so many tourists. A lot of students.

*Q: What was the feeling towards Japanese business at that time?*

BREER: I think we all admired it and were interested in its progress. We were more or less supportive of Japanese business and the expansion of Japanese trading companies abroad. We were concerned in the early '60s about the state of the Japanese economy, watching the trade deficit all the time and concerned that they would spent all of their foreign exchange reserves. Q: What about Ambassador Reischauer? Did you get any feel for him?

BREER: We were all kind of in awe of him because he spoke such wonderful Japanese, but I didn't know much about him. I hadn't been in the East Asian academic establishment before. He was a very pleasant fellow and a great hero. He was very sociable with his staff. He came to our Christmas parties. I saw him quite a bit later but not so much in the early '60s.

## Library of Congress

Q: Was there much concern about student radicals or ultra nationalists? Reischauer was attacked at one point by, I guess, an ultra nationalist.

BREER: I don't know. He was stabbed by [a mentally disturbed Japanese youth].

Q: *I somehow think it was the right that attacked him, but I may be wrong.*

BREER: We were worried about the communist movement in those days and Soviet influence and later on the Chinese influence. The Japanese Communist party was a force to be reckoned with in those days. We weren't so sure that a left-wing takeover of the government was out of the question. When I was there as a student in 1960 there were demonstrations against the revision of the security treaty, which ultimately prevented President Eisenhower from visiting. I can remember then just walking by myself around government buildings down town that the periphery of the buildings were virtually undefended. Anyone could get in the front gate. Later on they built 3 foot fences. I was watching television in a bar down town when it was announced that the visit was canceled.

Q: This was quite a blow to Japan actually. Here is a friendly country that is considered unsafe for the president of the United States, particularly in a country where face was important. BREER: The student demonstrations were not aimed so much at the United States as they were Mr. Kishi. The Japanese resented our friendship with Mr. Kishi because they regarded that he was a war criminal. A member of the Tojo cabinet. How could you bring this guy back to political life?

Q: The Kennedy administration was red hot on student movements. This was Bobby Kennedy particularly. To get after the youth of a country, youth officers were proclaimed in all our embassies. Did you get involved in this youth business?

BREER: A little bit. USIA (United States Information Agency), of course, was responsible for running that in the embassy. We met with young people. After going back to language school for a year, I spent some time as assistant science attach# and then went to the

## Library of Congress

political section looking after the left wing, the communist organization. It was the policy to see anyone who wanted to come and see you at the embassy. You wouldn't open the gates to a flood of people, but you saw small groups and took protests. We did a lot of that. We also tried to reach out to youth, although I don't remember spending a lot of time on that. USIA was doing most of that.

Q: At the time that you had this unrest there was an organization called Zengakuren. I remember there were articles saying that maybe this was the wave of the future. What was this organization?

BREER: Zengakuren technically was the national federation of student government which had been taken over by the left wing in the late '50s. There are a whole bunch of other organizations that were loosely affiliated with Zengakuren. Once you get a group you get a faction and some are more militant than others. The Japanese developed a very strong riot police, which they still have, to fence these guys off. They let them demonstrate but kept them from doing really crazy things. And, of course, they protected the embassy. We still have armored vehicles in front of our embassy. So do the Russians. The movement combined with the labor movement where the communists made a lot of headway in the '60s, particularly government workers unions, teacher unions. There was a lot of Marxist influence which was anti-American, anti-Security Treaty, anti-alliance with the United States, and the Russians were trying to mess up our alliance with Japan as did the Chinese later on. And then the Vietnam war came along and that was a focus for everybody as it was here, of course. So, there were a lot of demonstrations.

Q: You were at the embassy in 1963-64 and then went back for more training?

BREER: I was on home leave in 1963 and then I went back for six more months of Japanese language. Then I was assistant science attach# and later worked in the political section.

## Library of Congress

*Q: You were there until when?*

BREER: I had another home leave in 1965 and went back for two more years in political/military work and a year in Sapporo as principal officer.

*Q: So really you were in Japan for seven years from 1961-68.*

BREER: I think Mr. Obuchi came to my house for dinner during one of those years. He is now the prime minister.

*Q: Looking at patterns, did the universities have the same kind of pattern that they had in so many other countries where students would go through the university and be Marxist and out demonstrating against the embassy and the next year they would be in a neat suit sitting in one of the large firms being good capitalist citizens?*

BREER: There was a lot of that. I had foreign ministry friends who demonstrated in the '60s and '70s until the Vietnam war was over. The guy most likely to be the next prime minister, not this year, but in two or three years, was a demonstrator while at Tokyo University.

*Q: As you were moving into this work in the political section, how did the political section work?*

BREER: It was headed by a Japan hand, one of the Russian language officers. He came back as aide to the ambassador and then political counselor. He was a work-alcoholic. The section was divided up into international affairs with a first secretary, David Osborne and two of us who did domestic affairs. The head of the section did the LDP (Liberal-Democratic Party), the main party and another guy did the Socialists and I had the rest being the youngest. There was an external affairs division which dealt with Japan's third country relations and the Okinawa issue, I think. There was another section which did political/military which was all liaison work with the U.S. military there.

## Library of Congress

*Q: You were involved with that at one time?*

BREER: Yes, for one year.

*Q: Putting these American troops into Japan must have been difficult relationship.*

BREER: Well, American forces were there but declining fairly rapidly and even more so in the '70s. I don't know how many troops we had there when I first got there, but over the years we gave up a lot of real estate, especially for the Olympics. We gave them the huge Washington Heights complex and facilities around the Diet building. Managing that transition through something called the Joint Committee which was set up between the embassy, the American forces of Japan and the Japanese. It was challenging.

*Q: You were given the bits and pieces. Were you allowed to make contact with the Japanese Communists?*

BREER: They were off limits. They came to protest so we saw them in the office but I don't think anybody contacted them. Everybody was scared about John Emerson's experience.

*Q: Could you explain what the John Emerson's experience was?*

BREER: He was involved with Jack Sherbert and others in reporting on the Communists in China. After the war he came to Japan and evidently sought out the Communist leaders to track them down and report on what they were thinking and doing. McCarthy didn't like that. John was a super language officer and ended up as DCM in Tokyo which I think was basically his final posting.

*Q: He wrote a book on the Japan threat.*

BREER: Yes, an excellent book. If I remember correctly on the last page he sort of wonders why he was ever caught up in this suspicion. I can see why he was, but



## Library of Congress

he shouldn't have been. He should have been totally exonerated. He never made ambassador because of that. He was a super DCM. I knew him better later after he retired.

*Q: Did you find getting into Japanese training that you felt disconnected from the overall foreign service? (End of tape)*

BREER: -outside of Japan and East Asia in general.

Q: How did one make contacts with the Japanese at this time?

BREER: You picked up the phone and asked to see them or invited them to lunch or dinner. Japan was then and I think still is one of the most accessible places going. People are busy, but if they have time they will see you. I still go there and see politicians, people I knew when I was there.

Q: In your early years when you were following the political side, were you able to get a feel about how the political system worked? Was it as difficult as it sometimes portrayed?

BREER: Reischauer knew how things worked pretty well. We had a lot of tutors in those days in the embassy which is true today. During the course of language training we had lectures on the government and what was going on in Japan. I think by the time I got through with the language I had a fairly good sense of how things were.

Q: Japan in the international field. This wasn't your bailiwick at the time, but it always seemed to be holding back a bit compared with its potential.

BREER: Clearly then, in the '60s, it was just getting going and concentration was on catching up by searching the world for technology and buying it, importing it and using it. There was an enormous capital investment in building factories. They were still building steel mills. The auto industry in the '60s was just getting started. Their cars were not

## Library of Congress

exportable then. We saw that kind of thing taking place and the '64 Olympics gave a huge boost to construction in Tokyo of expressways, boulevards, etc.

*Q: What was the view of the major party, the LDP?*

BREER: The principal focus of its foreign policy was relationship with the United States. The defense policy was the security system with the United States. It was totally steady in the support of U.S. forces in Japan. Even in the face of a lot of opposition to the use of facilities in Japan in support of Vietnam. We had field hospitals in down town Tokyo in the early '60s. We had a lot of troops evacuated from Vietnam that were in horrible shape. Burn cases were the worse thing. I remember taking a congressional delegation down to a hospital for Thanksgiving dinner in Yokohama one time and they were just stunned at the sight of the burn cases. Then the Japanese were too. The Japanese government, despite popular opposition to the war, student opposition to the government, pacifism as a result of the horrible experience of losing in World War II, was totally supportive of our needs in Japan during the Vietnam war.

*Q: How was the Vietnam war viewed by your group, the Japan experts, at the time?*

BREER: We all spoke in support of it. Although I had serious misgivings from the beginning I was a loyal government employee and defended our actions vigorously. At one time I took on a local newspaper with 600,000 circulation going to see the editor. I thought they were clearly writing biased stories on Vietnam.

*Q: What about the Soviet connection, particularly when you are in Sapporo, the holding on of the northern territories?*

BREER: The government was not the least bit attracted to the Soviets at that time. They wanted the northern territories (islands) back. It wasn't such a big issue when I was there. It became a more important issue when they started a movement to get the northern territories returned at a later date. The Russians opened a consulate general in Sapporo

## Library of Congress

just as I arrived and we saw each other occasionally having dinner with each other. They had a huge operation compared with ours. We had consul, vice consul and secretary. They tried to make inroads in Hokkaido by recruiting friends and supporters. But the governor of Hokkaido was a staunch conservative LDP guy who was correct in his dealings with the Russians. He didn't have a lot of time for them.

*Q: Was Hokkaido a different world than Honshu?*

BREER: It was really countryside then with a population of 4 or 5 million people, which has declined since then. [There were] at least two American military installations.

The streets behind the consulate were paved in Sapporo. The governor had a nice house. Hokkaido was kind of an economic basket case and still is. Coal mining even in the '60s was petering out. I don't know that there were other minerals. It isn't a great agricultural area. They tried to grow rice there and it is the biggest rice producing prefecture in Japan but it is the biggest prefecture too. It is pretty far north for rice. They tried the dairy industry and they became very dependent on imported feed. There was some deal where they couldn't ship milk to Tokyo cheaply to protect the Honshu dairy industry. There was a steel mill and at one time a big word processor industry. I think Hokkaido's biggest industry now is tourism.

*Q: During these times were you running into trade problems faced by American businessmen because of various regulations?*

BREER: Well, I don't think we were so conscious of it in the '60s. There were people who were doing good business in Japan. My father's first cousin was working in California for a company that sold chain saws and they had good business in Hokkaido. It really wasn't a big issue then. One of the principal businessmen in Sapporo had an office in Portland, Oregon. I'm not sure what he did but Portland was a sister city of Sapporo and there was a

## Library of Congress

lot of enthusiasm for that. I think the biggest business in Hokkaido was government at that time.

*Q: Was Okinawa an issue during this time? It was before the reversion business wasn't it?*

BREER: Yes, but I wasn't too conscious of it. Pressures were beginning to build in Japan but I hadn't really worked on it. We had a reversion of another island group in the '60s, but I didn't work on that. The pressure began to build on Okinawa more or less after I was in Sapporo and one didn't feel it up there.

After Sapporo I went to Columbia University for a year. This was the fall of the big summer there.

*Q: I was going to say talk about being in the line of fire!*

BREER: I didn't feel any of that then but it was over kind of, but the spring and the summer of 1968 had been [tense]. At Columbia there was a lot of talk about Okinawa and if we didn't do something all hell was going to break loose. Why doesn't Washington do something about it. When I came into Washington to work on the Japan desk, it was almost done.

*Q: In Sapporo what was your impression about the central government's role there? Were things pretty much run out of Tokyo?*

BREER: Certainly the lion share of the budget came from the central government. There was a distribution system in Japan where places like Hokkaido and other poor prefectures get an outside share of the budget. The Hokkaido governor was spending most of his time in Tokyo trying to get appropriations. He was down two or three times a month and all the businessmen were down there, too. At that time, and still, I think, there was a cabinet member in charge of Hokkaido, the Hokkaido Development Agency.

## Library of Congress

*Q: So Hokkaido was sort of like the south of Italy.*

BREER: Or western United States a hundred years ago. The Hokkaido Development Agency's job was to oversee the economic development of Hokkaido. But, it was an uphill battle all of the time. Partly because of the climate, but it is no worse than Minnesota, actually not as cold as Minnesota. A lot of snow but not so cold weather.

*Q: Was it the usual thing for the young people after getting university education to head for Tokyo?*

BREER: That was true throughout the country. It was felt that bgoing to Tokyo one could make a fortune.

*Q: You finally got out of Japan and went to Columbia University i1968-69. What were you taking there?*

BREER: East Asia studies. I had never had any academic studies oEast Asia before that.

*Q: How did you find the courses there?*

BREER: I had Brzezinski for a Russian course, Barnett for a China course, Herb Passer on Japanese philosophy, and a guy named Nakamura on Japanese economy. I thought it was excellent.

*Q: By the time you left Japan what sort of progress were you makinin learning the language?*

BREER: I could do standup speeches in Hokkaido. I could read thnewspapers. I started to translate Yamamoto's biography.

*Q: The admiral.*

## Library of Congress

BREER: I read it in Japanese and then I started to translate it but ran out of time. It has been since translated.

*Q: While you were in Japan did you feel you were getting a pretty good solid emersion into Japanese culture?*

BREER: Oh, yes. We spent a lot of time in Tokyo, before we moved to Sapporo, with Japanese friends we had met earlier and still see today. We also have a couple of friends we made in Hokkaido that we still keep in touch with. We didn't spend any time with Americans there although later on we met some of them. I thought my business was to mingle with the Japanese and get to know them.

*Q: Your wife continued with her Japanese training?*

BREER: Yes.

*Q: Was there a fairly large group of foreign service officers who were pretty good in the language?*

BREER: Yes.

*Q: You almost had to be didn't you?*

BREER: You could do your business in English with the foreign ministry, but beyond that in those days even other ministries didn't speak much English. It is, of course, personally more fun to be able to speak the language of the country you are living in. If you are talking with politicians and asking questions and stuff, it is kind of hard to use an interpreter all the time. I think the Japanese are much more at home speaking in Japanese than they are in English.

*Q: Did you deal much with the foreign minister?*

## Library of Congress

BREER: Yes.

*Q: What was your impression of the people in the foreign ministry? Where were they coming from as far as Japan's role in the world?*

BREER: I think the preoccupation of the foreign ministry was relations with the United States. Their very best people went into the North American bureau. A major concern was defending Japanese sovereignty because we could just run over the place like a steamroller like we still try to do. There wasn't resentment so much as they didn't want to be pushovers for things from A-Z that the Americans want. And, that is still true today. But, they understood that their national security depended on the security treaty. Yoshi had set up this system and had a majority in the Diet, but it was very tricky to manage the security relationship in Japanese domestic politics. They had to deal with local leaders where the bases were and they had to keep us from trampling them.

*Q: I realize you were lower to mid level, but were you aware of struggles from the embassy at that time to try to work both on our government in Washington and with our military to say, "You can really louse up the relationship if you expect the Japanese to roll over every time you want something" and trying to play a moderating role on this tendency to snap our fingers?*

BREER: One of the big areas was the nuclear ship issue in the mid-'60s when our submarines were rapidly becoming nuclear powered. In working out the arrangements for radiation monitoring which the Japanese insisted on - and Admiral Rickover insisted that these things were safe, of course, because they were his. However, he said that if it was necessary for the Japanese for their own satisfaction to assure their own public, for PR reasons, he insisted on doing it and then figured out how close they could get, etc.

*Q: You are talking about the equivalent to Geiger counters or what have you, to try to find out if there is any emission of radiation.*

## Library of Congress

BREER: Then the navy said they couldn't come any closer than a 100 meters or 50 meters, I can't remember the figures. It went back and forth. The navy's position was they were an ally that we were defending and why can't we take our damn ships in there. There was a lot of that.

*Q: There was a policy developed to neither affirm nor deny the existence of nuclear weapons on ships.*

BREER: And we will abide by our agreements with the Japanese government.

*Q: Back to Columbia. There was a great protest in 1968-69 about our policy in Vietnam. Did it intrude into your class work?*

BREER: Not much. It sort of peaked in the spring of 1968, but during the course of that year, no.

*Q: Was there any attempt by your career counselor to say you had been in Japan too long and should be moved elsewhere?*

BREER: Not really. The career counselors never paid that much attention to me in that regard. The director of Northeast Asia at that time was Dick Schneider

*Q: Wasn't he involved in the Okinawa negotiations?*

BREER: Yes, he did it eventually. I think he arranged for me to join the Japan desk after Columbia.

*Q: So you were on the Japan desk from 1969 to when?*

BREER: To 1971.



## Library of Congress

*Q: I imagine the Japan desk was a fairly large operation? Whapieces of pie were you given?*

BREER: Bits and pieces. There was a pol/mil officer who did that sort of thing and I helped out with that to some extent. I did some general political analysis. I had a variety of jobs.

Q: There was a brand new Nixon administration coming in. Was there a feeling that they had a different outlook towards Japan than the Johnson administration?

BREER: I can't characterize that. However, we began to have trade issues by that time. The prime minister visited in the fall of 1969. Textiles played a big part in the visit.

*Q: Yes. Nixon owed quite a bit to the textile industry when he waelected and he made promises.*

BREER: Right and those were being carried out. And we were in heavy negotiations with the Japanese concerning the Okinawa reversion. The main issue was nuclear free Okinawa. The solution was the same as the mainland. I don't know whether we ever had nuclear weapons on our ships out there or not. Nobody ever claimed it.

*Q: I'm sure we did.*

BREER: But no sailor has ever said so. Nobody has ever blown it. It is really amazing. So these were issues at the embassy at the time. By that time Dick Osner was DCM. Then I came down here and Dick Finn became office director. Dick Schneider went to NSC and kind of orchestrated the reversion along with Alexis Johnson. But, I wasn't engaged in that.

Q: The textile thing was the first time we really started talking seriously of trade relations and that must have been a wrench to the foreign service dealing with Japan who all of a sudden had to play hardball on this.

## Library of Congress

BREER: I think it was. I had lunch with Alexis Johnson and Shimoda, who was the Japanese ambassador at that time, some years later and Alexis said, "You know, whatever happened to the textile issue?" Neither one of them was very certain what had happened. They were supposed to have solved it. The president and the prime minister turned it over to these guys to resolve and they never did. Then Japan's trade surplus with us began to take off and Japan began to intrude into major industries like steel, transistor products, etc.

*Q: In 1971 what happened?*

BREER: I was on the desk for two years and my next job was political advisor in the headquarters of the marine corps. It was a pretty junior job in those days. Now it is more senior.

*Q: Let's stop at this point picking up with you at the headquarter of the marine corps.*

\*\*\*

Today is May 6, 1999. You were at the marine corps from when to when and what was your job?

BREER: From the summer of 1971 to the summer of 1972. I was in the joint planning group as a sort of political advisor. I think now it has been upgraded to political advisor to the commandant of the marine corps.

*Q: By 1971-72 we have withdrawn most of our troops from Vietnam. What were you getting from them about their thoughts on Vietnam and what went wrong?*

BREER: I didn't get involved in that so much. But, it was also the time of Okinawa reversion to Japanese sovereignty and there was a good deal of discussion of how to preserve

## Library of Congress

American rights in Okinawa during the reversion process. I don't recall much discussion about Vietnam, at least I wasn't a party to it.

Q: I have gotten from people who served in Okinawa at our consulate general there and others, that the marines, at least on the ground, had the feeling that they had won this place with their blood and you people at the Department of State are giving it away. Were you getting any of this?

BREER: Yes, a certain amount of that. In the process, though, of practical scurrying to protect U.S. and marine corps rights in Okinawa, not give up bases, criminal jurisdiction issues, was a major preoccupation of the marine corps then.

*Q: Did you find yourself in the role of trying to explain the greater geopolitical consequences?*

BREER: Yes, and I was also trying to explain that we were now dealing with a sovereign country, that the long term viability of American presence in Okinawa depended to a large extent on the attitude of the locals and we should try to accommodate their reasonable requests for unused land or to temper our operations one way or another.

Q: How did you find the marine corps? I have been surprised that some foreign service people who have worked for the marine corps found that the marines were often a bit more forward looking than the navy and the air force. At a certain level there was a little more intellectual engagement. This was from some, not from all.

BREER: Well, there certainly were some intellectual stars. One of them now is at the Kennedy School of Government at Harvard, General Trainer.

*Q: Yes, Trainer is often on television explaining things.*

BREER: There was another marine who became a general, I can't remember his name, who graduated from Brown. On the other hand there was a colonel who thought about

## Library of Congress

nothing but the trenches and spoke like it. But, I think at senior levels they were trying to figure out how to preserve their position, preserve the corps. There was legislation for three divisions and Okinawa was the base for one of those divisions. There is no home base for the division in Okinawa, only a physical place for them. So, Okinawa was the marine corps base for Okinawa as far as they were concerned. They were extremely concerned about preserving that and preserving rights. I agreed but told them in order to get from here to the year 2000 they were going to have to make certain compromises with the locals. A lot of that came about during the reversion process.

*Q: How was the reversion process going during this 1971-72 period?*

BREER: Reversion was agreed upon during the Sato visit of 1969 when we were able to agree on a reversion equivalent to our rights in Japan proper which included the nuclear issue. It was negotiated basically in Tokyo by Dick Schneider, a foreign service officer who had been sent out there. He was assisted by an admiral appointed by the Pentagon to negotiate the final agreements which included all financial settlements and the very complex question of handing over administrative rights to the Japanese government while protecting American interests in Okinawa. The Japan desk at the State Department was heavily involved in that. I was not responsible for that. The marine corps was observing the process and asserting its interests in government decisions concerning Okinawa.

*Q: Did the marines have a person at the negotiations representing the corps?*

BREER: I don't really know, but I'm sure they did.

*Q: Were there any other issues you were dealing with? How were you working within this planning group?*

BREER: We compiled assessments of the marine corps around the world and an assessment of whether we should assist them or not and what they should be doing, etc. It is amazing how many countries are what we call green cards. The marines developed

## Library of Congress

a kinship to be supportive of foreign friendly marine corps. It was part of the military's assistance program at the time and I think did result in assistance to various marine corps. I never saw the specifics.

*Q: Were you adding the political perspective?*

BREER: Yes.

*Q: Was there any concern about Korea at that time, it was under a authoritarian regime?*

BREER: An authoritarian regime but an ally. I don't think there waany special concern about the Koreans.

*Q: Do the Japanese have a marine corps?*

BREER: No. I have never thought about that. They had one in World War II, naval infantry.

*Q: Well then, in 1972 whither?*

BREER: To Jamaica as political officer.

*Q: This was quite a change.*

BREER: I think there was a GLOP [Global Outlook Planning] program.

*Q: Yes, this would have been the time. Kissinger was very unhappy when he went to a Latin American conference and discovered everybody had been there forever and ever and really knew very little about NATO or anything else.*

BREER: Well, I never served in a NATO country except here. Jamaica counted not only as a GLOP assignment but also a developing country assignment, even though the north coast of Jamaica is kind of elegant in places. We settled down in Kingston for two years, 1972-74.

## Library of Congress

*Q: Who was the ambassador at that time?*

BREER: A fellow named Vincent de Roulet.

*Q: He had quite a reputation. Could you give your impression of how he operated and the effect on the embassy?*

BREER: He was totally conspiratorial, figuring everyone was [suspect] except a chosen few. He treated everybody like his personal lackey. Before I got there he had animal names for everybody on the staff. There was a very good article in Harper's Magazine in 1974 about him. He didn't like Blacks. He had a lot of disdain for humanity in general. He was horribly vulgar. Generally a kind of despicable person.

*Q: Where did he come from?*

BREER: From Los Angeles originally. An old Los Angeles family, I think. My mother was in high school with one of his aunt's. He was married to the daughter, Joan Pacson, who was Jock Whitney's sister. He had a private plane and flew back and forth to the United States and kept a large yacht in Kingston harbor. He ran horses at the local track, hobnobbed with the north shore investors from Texas and other places and really thought he was the smartest man in the world. He got PNGed (persona non grata) in 1973 after accusing me... I can't remember the exact details now, but someone in the Jamaican government had spread the word that de Roulet wanted me to report to Washington that Manley was a communist or friendly with the communists. I don't recall having done that but he wrote a seriously derogatory telegram about me to the State Department. Then, he flew to Washington to testify in congress and testified something to the effect in both closed and opened sessions, that he made a deal with Manley in the 1972 election that if Manley would lay off the bauxite, he would keep the CIA out of the election. Anyway he was PNGed when that became public and never came back to Jamaica again.

## Library of Congress

*Q: This was a peculiar assignment for you.*

BREER: It was for everybody in the embassy. There was nobody with any Jamaica experience in the embassy.

My foreign service experience is that I have never had any particular set of instructions, but I was expected to get to know the political system and political leaders and analyze the political situation for Washington. This was at a time when there was a less than friendly prime minister, Michael Manley.

*Q: One of his mainstays was a certain amount of confrontation with the United States.*

BREER: Well, he was a third world leader, a friend of Qadhafi's and he cozied up to Castro who are against American policy. He was pretty basically socialist at heart and scared away a lot of investors from Jamaica, I think. He didn't encourage, but I think under his regime there was more violence in Jamaica and more attacks. He scared a lot of white and brown Jamaicans out of town, while he took their capital and made trips to Miami and Canada. And, these were some people who supported him. He was supported by part of the business community.

*Q: How about reporting in a place like this? Who was your DCM?*

BREER: George Roberts.

*Q: He was a foreign service officer?*

BREER: Yes..

*Q: How did he get along with the ambassador?*

BREER: All right. He made it his business to get along with him. George is a terrific guy and we got along very well.

## Library of Congress

*Q: Did you find that the government, other than Manley, was fairloopen and you were able to go talk to people?*

BREER: Yes. And, I ran around and lunched with or called upon politicians. I used to go to observe debates in parliament and traveled around the country and talked to local leaders. I went down to Spanish town to PNP (People's National Party) political rallies at night by myself and was carefully watched by the police.

*Q: You had a prime minister who was a black who had evidence oracism towards whites, did his party reflect that?*

BREER: I shouldn't say towards whites so much as I should say NortAmericans. He had white people supporting him for a while.

*Q: Did you find any crimp on your reporting coming from thambassador?*

BREER: No.

*Q: So there really wasn't an issue about what you should report withim?*

BREER: No, I don't think so.

*Q: Was the ambassador an issue in Jamaica?*

BREER: Oh, yes, very much so. If I remember correctly, de Rouler refused to shake Manley's hand before he was prime minister.

*Q: I recall at some point there was an issue of not allowing visapplicants to use the embassy bathrooms.*



## Library of Congress

BREER: Yes, that was part of it. I think the Jamaican visa line set the example for the rest of the world of how badly we treat visa applicants. The treatment of visa applicants in a whole host of countries is really pretty horrible, both for the applicant and the visa officer.

Q: I would think in your job that you would find that every contact you would make would have a list of people who wanted visas. How did you handle this?

BREER: Some I rejected and some I sent to the consul general for judgment.

*Q: Did you see Manley as a threat to democracy in the place or was he sticking pretty much to a rule by getting popular support?*

BREER: I don't think he was a threat to democracy. Manley was a great sort of English tradition LSE, London School of Economics, liberal who had been a RAF pilot. He was a tremendously charismatic leader and a wonderful speaker. He had a booming voice and spoke very elegantly about rights, poverty, education, and all these horrible issues facing Jamaica. But, I think he managed in the process to scare a lot of capital away. Up until the time he was elected, there was a great deal of inflow of capital due to the rapidly expanding bauxite industry and that spilled over into many other industries. There was a great deal of prosperity but when I got there, there was a strike. I was stunned in Jamaica. We took a trip to Guatemala, a long weekend, and walked through the market there and the prices were [higher] than they were in Jamaica and [there was] not nearly as much abundance of produce. Of course, Guatemala is a bigger country but Jamaica grows lots of fruits and vegetables.

*Q: Was there concern at the embassy for personal safety because of the growing violence?*

BREER: We didn't let our children walk on the streets by themselves. They were small but we wouldn't let them even go next door by themselves. In retrospect we may have been reacting too much to our Jamaican neighbors' caution. Actually, we took some precautions but I never felt particularly frightened. We drove all over the island. We drove

## Library of Congress

at night through villages that had no electricity up in the hills. We drove over the mountains and back roads. I never felt threatened. Now, downtown Kingston is a little different. It is teeming and seedy and rundown.

*Q: What about the opposition? Did they sort of represent wealth?*

BREER: Yes, but not entirely. There was one tremendously wealthy, prosperous family that were Manley backers. One of them was the lord mayor of Kingston while I was there and another, one of his brothers, was head of the bauxite board. There was another family that was all the other party. The banks were basically foreign with Canada having the biggest bank there. But the old money, I think, supported the JLP, Jamaica Labor Party, the other party.

*Q: When the ambassador was PNGed was there a period of time where you were working under a charg#?*

BREER: Yes.

*Q: Did a new ambassador come out while you were there?*

BREER: Yes.

*Q: Who was that?*

BREER: Ashley Hewitt was the new incoming DCM and served as charg# until the new ambassador arrived. The new ambassador was Sumner Gerard from Philadelphia and a banker or something. A very nice man. He arrived in the summer of 1974 and things settled down quite a bit.

*Q: There was quite a change?*

BREER: Oh, yes.

## Library of Congress

*Q: Did he understand that there was need to repair the damage?*

BREER: Yes, very much.

*Q: What about relations with Cuba? I imagine we were reporting othis or was it left in the hands of the CIA?*

BREER: More in the hands of the CIA, which, by the way predicted that Hugh Shearer would win the 1972 election and my predecessor predicted that Michael Manley would.

*Q: A classic case of the foreign service versus the CIA.*

BREER: I think we have been more generally right. Nobody handles Cuba more than I reported on exchanges back and forth. There was one time when I was down there when Jamaica's biggest agricultural foreign exchange export was sugar and they were importing sugar from Cuba. They had a quota to fill with the UK and they ran out of sugar for local use and had to buy it from Cuba at one point.

*Q: Had the Jamaican community in the United States establisheenough roots to become a political power the way other groups had?*

BREER: In local politics probably. There was and is such a huge concentration in Queens in New York City. Most of the Jamaican migrants to New York were pretty well educated people.

Q: One always notices in our politics that often the African American leaders who really move to the fore often have a Jamaican or Caribbean background. Barbara Watson, Stokely Carmichael, etc. They don't seem to have suffered from whatever the problems are within the United States proper. They come with a certain amount of both education and drive.

## Library of Congress

BREER: Yes, a middle class self-consciousness. A lot of them comfrom middle class or professional families.

Q: They seem to get ahead. It reminds one of Asians who come to the United States. They are not wasting their energy in feeling put upon. When you left Jamaica in 1974 in what direction did you feel Jamaica was headed?

BREER: I also kept in touch with the leader of the opposition too, Edward Seaga, who was a Harvard graduate and eventually became prime minister. He didn't do a very good job either. It is a tough proposition. There isn't much to work with. I felt Jamaica was in for a hard economic time and therefore social tensions would persist with huge unemployment. Kingston had some elegant suburbs up toward the hills but otherwise was dreadful. The government tried redevelopment projects. I don't know what it is like now.

*Q: Did you see that bauxite was becoming less important?*

BREER: During my time there it was still very important and was the major export. I think it was still expanding but bauxite is not a rare commodity and there was growing competition from Surinam, Ghana, etc. The Jamaicans were trying to squeeze everything they could get out of it. They were squeezing the companies more, and probably rightly so. The original deals were probably one-sided with the middle man making out well. I think they are still exporting bauxite but... The emphasis went on tourism but a lot of tourism is backed by foreign investment and profits often go back outside the country. There was a huge influx in the '60s of second home buyers and developers all up and down the north coast. These projects employ a lot of local people but a lot of the stuff is owned by outsiders.

*Q: Were there an increase in community guards?*

## Library of Congress

BREER: Yes, guarded communities existed all over the north coast. All the hotels and resorts have their own security forces.

*Q: In 1974 where did you go?*

BREER: To Japan. They were looking for developing an interpreting capability within the foreign service and they picked me. So, I was sent to the language school which by that time had moved to Yokohama. We had closed our consulate and the school was housed in the old consul general's residence, a western style house. I was supposed to learn how to be a professional interpreter.

*Q: How long were you there?*

BREER: From 1974-75.

Q: I would think this would be something that you would dig your heels in against because this puts you not in the right line unless this leads to other things.

BREER: Eventually it did and I was looking at it as an opportunity to go back to Japan and it was in the political section so it wasn't a clear transition at that point.

Q: Being an interpreter I would have thought demanded such a language skill that one would have to think on a dual track, one is just plain remember what is being said before it comes out and I wouldn't think everybody would have it. I sure wouldn't.

BREER: I don't have it to the extent that a lot of simultaneous translators do but I got fairly good at it. Actually one of my first interpreting jobs was for Kissinger and President Ford's visit in the fall of 1974. I was still in school at the time and was called out. I remember one time when Phil Habib and the chief of staff visited I was called upon to interpret. There are various techniques and I went to an actual interpreting class at the International Christian University (ICU) as well. Of course you take notes. Even simultaneous interpreters take

## Library of Congress

notes. There were all kinds of drills that we went through, vocabulary, learning the latest slang in both languages, or trying to.

Q: I would think you would have to have a certain number of Japanese proverbs that would relate to American proverbs. You can't say, "I only go to third base on that," in Japanese and expect it to be understood. There are sports or cultural terms that don't correspond to a particular culture and you would always have to have a mental list of ones to pick from.

BREER: You do that to some extent but again that is unending. There are books now that have saying equivalents, but there weren't any then.

Q: *Ever get to a point of saying, "So-and-so made a joke, please laugh?"*

BREER: No, I never had to do that. The other problem with Japanese and English is the predicate comes at the end of Japanese sentences.

Q: *So you have to wait?*

BREER: Yes. Oftentimes subjects are not expressed in Japanese.

Q: *Could we talk a bit about your working on the Ford visit because the press played this up making fun of him quite a bit early on, I think. If I recall there were pictures of him in too short trousers and things like that. What was your impression of Ford and Kissinger?*

BREER: I thought it was a pretty successful visit. It came at a time when the prime minister was clearly on his way out. I think he resigned the next week. Tanaka had been exposed for corruption just a few weeks before in connection with the Lockheed incident and in connection with the sale of a hotel to Japan and I think also in connection with the Lockheed 104 program we had with them. I can't remember the details but there was a big scandal and Tanaka, who was probably the most dynamic and powerful politician that Japan has had since the war - a real boss type operator with a lot of ideas of his own -

## Library of Congress

was kind of humiliated because he was on his way out and everybody knew it. Of course, Nixon had just left and Ford went ahead with the planned visit. So, there was some chaos but I thought Ford handled himself very well. His trousers were too short.

*Q: I think he got caught off guard. His staff probably didn't warn him that he needed morning clothes.*

BREER: Yes, and Japanese morning clothes and ours are slightly different. Americans don't generally have such clothes hanging in the closet, but all Japanese do because that is the standard wear for weddings, funerals and formal occasions any time day or night. Otherwise I think he conducted himself quite well. Kissinger wanted to be very much part of the scene so table arrangements were made. In those days you had a return banquet. The imperial house had the banquet one night and the president the next night. I was the control officer for the imperial guest house and one of the events was the president's banquet. Nobody had come up with a guest list with the dinner two weeks away, so I made one up and submitted it and they had no ideas of their own. The protocol people at the White House and State Department made a seating plan that didn't include [the foreign ministers] at the head table. The emperor and empress, and the crown prince and princess and the royal family were all there and Kissinger and the only other ministers sat at other tables. That created a bit of a stir in Japan. It was the first visit by our president ever and I think it was pretty successful. He spent four or five days in Japan.

*Q: From the people at the embassy, one had the impression that Kissinger didn't spend much time thinking about Japan. Obviously there were other things on his plate, particularly the Soviet Union. Was that manifest at all?*

BREER: He was there. He engineered the China opening on Nixon's instruction and the Japanese were having trade problems with China which started in the early Nixon years. The Japanese didn't just roll over. They complained about trade policy. They were very protective in those days of their blossoming industries. I don't think Kissinger regarded

## Library of Congress

Japan as a great power whereas I think he did regard China as one. Japan just never played very large in his strategy. I haven't read his new book. I don't think Kissinger's Japanese interlocutors enthralled him as the Chinese did.

Q: I would have thought there would be a problem dealing with Japan the same way there is dealing with Italy. There was really, after Tanaka, hardly anybody to talk to. It is a collegial government with the prime ministers changing fairly often. Certainly this was the way in Italy with a revolving set of ministers.

BREER: That is somewhat true, yes. But it depends on the prime minister. Some are more in a debating mode than others. I think the current prime minister, for example, is pretty good, Keizo Obuchi.

I forgot to mention something. When I was in the marine corps my wife and I flew to Anchorage to join the president and she was the interpreter for Mrs. Nixon when the president greeted the emperor and empress.

*Q: This was when Hirohito came?*

BREER: Yes, he was on his way to Europe but he made a refueling stop in Anchorage. I think I wrote the memorandum recommending that the president go meet him, so he did.

*Q: After you left the language school was your interpreting just skill that you had but you were doing other things?*

BREER: I was a political officer in the embassy.

*Q: So, this was just honing up your skills so you could be called on.*

BREER: Yes.

*Q: Well, you were in the embassy in Tokyo from 1975 to when?*



## Library of Congress

BREER: From 1975-78.

*Q: What slices of the political pie were you given?*

BREER: The first couple of years I was in charge of the opposition and part of the LDP for political reporting. So, I tried to develop as many contacts as possible and I still have many of them today. I think that is the first time I met Obuchi. I just wandered around talking to people seeing what they thought about the direction of Japan, about relations with the United States, etc. The last year I was pol/mil officer at the embassy.

*Q: How did we view the opposition at that point? Did it seem to have a chance of becoming powerful or was it almost destined to be second fiddle to the LDP?*

BREER: I guess we felt there was a possibility that the opposition, the Socialist party, could disrupt the LDP majority. I don't think there was the same kind of concern about the communists as there was in the '60s. There was a new party by then, begun in the '60s, called Komeito, which was the Buddhist based party. It hasn't grown very much since then. The Socialists were not all anti-American but they were anti-security treaty, anti-bases in Japan, and for unarmed neutrality. It is really kind of an ironic position for them to take because if there had been no security, Japan probably would have rearmed to a much greater extent calling it self-defense. Then there were big struggles about nuclear submarines in the '70s, because our submarine fleet was becoming nuclear. We had to walk a careful line between Admiral Rickover's feelings about his boats and the Japanese desire to know whether they were emitting radiation or not. The question of nuclear weapons on naval ships was around

*Q: Were the Socialists interested in talking with you?*

BREER: We communicated. The door was open. We had protest delegation people who wanted to come to see us and talk to us about their issues, about nuclear issues, about

## Library of Congress

American policy all over the world. We had an open door policy and would see anybody including the communists.

*Q: By that time we were able to talk to the communists?*

BREER: Well, when I was first in the political section in the '60 we received communist protestors. We limited the numbers.

*Q: Were we able to go out and make contact with them?*

BREER: No, we didn't seek them out and talk with them, although we did with the Socialists.

*Q: Was there any concern at this time about the LDP and indication of corruption?*

BREER: Well, it was always lurking in the background, but Japan's economy was growing so fast and people's livelihood was growing so fast that nobody wanted to rock the boat very much. I think Japanese, and most Asians, view gift giving as an essential part of life. They realize that it screws up their system a lot in extremes, but I think there is more tolerance for fairly substantial gift giving to officials or somebody who can affect their future. Not that we don't have it.

*Q: We call it political contributions.*

BREER: I think political contributions of a \$1000 an individual is fine.

*Q: But, you don't give \$50,000 and not expect something.*

BREER: Right. But that doesn't apply to political appointments in Japan because it is a professional government.

*Q: As you say much of Japan is ruled by professional bureaucrats. Were these a group to be cultivated?*

## Library of Congress

BREER: Sure.

*Q: Was somebody assigned to that or did you all do this?*

BREER: There were various functional assignments in the embassy in both the political and economic sections and traditionally the internal affairs officer was the one who dealt with the foreign ministry on coordination and bilateral relations. But we all participated in that as well.

*Q: Who was the ambassador in 1975-78?*

BREER: Jim Hodgson, who had been secretary of labor, was ambassador from 1975 until 1977.

*Q: How did Hodgson do?*

BREER: He was quite conscientious and did quite a good job. But, he was plagued by having been Lockheed vice president for labor relations at one time. He was a very nice fellow, very smart and low key. He worked at cultivating Japanese.

*Q: And Michael Mansfield?*

BREER: I was there for his first year, 1977-78. I also served with him from 1984-87 as his political counselor. I was junior in the '70s and didn't see that much of him, but I did do some things for him. We had a terrible incident. Two jet aircraft took off from Misawa and crashed into a house in Yokohama killing two people and severely injuring some others. The Navy was kind of slow about paying [respects] we thought in the embassy. So, Mansfield sent me out to the hospital to see this woman whose child had been killed and she terribly burned. I tried to be a go between, between the embassy and U.S. forces who didn't want the Japanese monkeying around the investigation of the accident. The pilots had bailed out and were sent home before the Japanese could talk to them. This raised all

## Library of Congress

sorts of jurisdiction questions, the status of foreign forces in Japan, etc. It was in the line of duty so arguably it was American jurisdiction, but the fact that the planes crashed into civilian territory raised issues. We finally found out that there had been a misalignment of some part of the aircraft during a major maintenance time in California some place.

*Q: Did you have any work on Okinawa during this time?*

BREER: Yes, sort of managing daily issues. I can't remember them all now. The Okinawa reversion had taken place and things had settled down some. I don't recall any huge issue.

*Q: How about the governor of Okinawa?*

BREER: I don't remember who he was. I think he was a conservative.

*Q: There was a point where you had a leftist who first, I think, was mayor and then governor, I'm not sure.*

BREER: The recent past governor, Governor Ota, was a university professor at Cal, I think.

*Q: When the Carter administration came in did you sense any difference in how they were approaching Japan?*

BREER: There were trade issues at one time but I can't really remember the pyrotechnics about them. The one big issue that came up while I was pol/mil officer was the Carter administration's policy of withdrawing ground forces from Korea..

*Q: Yes, taking the 2nd division out.*

BREER: Right. And a number of visitors came to Tokyo including Habib and I accompanied them on some of their discussions. The Japanese were very hesitant to tell us how to run our military and still are to some extent because of war time experience, a rather more passive diplomacy and the fact that we were a senior partner in their security

## Library of Congress

relationship in relation to Korea. But, they were very, very nervous about our removing ground forces. The South Koreans knew that as well as did our ambassador in Seoul, Bill Gleysteen. That was kind of a major issue which was eventually resolved.

Q: From 1976-79 I was consul general in Seoul and a member of the country team. We thought that the Carter administration had made a campaign promise that made no sense because it just heightened the chance of war rather than lessen it. But, Carter was more insistent in carrying out campaign promises than most presidential candidates. He was a little too honest for his own good. In the end it was all fuzzied up and the 2nd division remained in Korea. I think it was resolved by removing some obsolete missile batteries and probably eventually putting some better equipment in. I would think Japan during this period would be looking very closely at Korea because they had a very powerful North Korean army and if it attacked, and nobody really knew what was going on in the mind of Kim Il Sung, this would make the Japanese nervous.

BREER: Oh, I think very uncomfortable, because they knew that we would have to massively use facilities in Japan to support our operations in Korea. I don't think they felt a direct threat to Japan but just the politics of trying to support the United States. They had gone through that in the Vietnam war when the government was a loyal supported despite all the protests. I am not sure they had the stomach to do it again. But, there is no question that they wanted us to stay in Korea.

Q: What about the Korean community in Japan? For some odd reason, at least to me, it all seemed to be so North Korean oriented. Did you all get involved in looking at this phenomenon?

BREER: We never did much in the embassy. Occasionally someone would write a cable about it. In actual fact, in those days I think it was evenly divided with Korean loyalty to North and South. But, the North supporters were more vocal and engaged in activities on behalf of the North. I think the North supporters stuck out more because they were tracked

## Library of Congress

by the Japanese security people. Also, they were a good source of money. We didn't know how strong the North Korean army was in those days. Our intelligence wasn't very good then and isn't very good now.

Q: In those days, when I was sitting there, the common wisdom was they could be in Seoul in three days but eventually would be badly beaten.

BREER: I think that is still the common wisdom.

*Q: What about the northern territories held by the Russians?*

BREER: The Japanese and Russians talked about these islands from time to time over the years and at one point were on the verge of making some progress on it when something happened domestically in Russia and the Russians pulled back. I think the Russians at one time offered to return two of the islands, but the Japanese insisted upon all of them. I think the Russians are not prepared to make territorial adjustments around the periphery. They weren't then and I don't think they are much more interested in doing so now. There has been some opening up involving fishing and tourism.

*Q: But, not during this period?*

BREER: Not much. I'm sure there were some Japanese fishermen who bribed the Russian coastal people and were able to take seaweed and I suppose shell fish.

Q: Was this a period of increased Japanese interest in ties with Mainland China?

BREER: Yes, because they recognized China shortly after the Kissinger visit. The Japanese saw a big market there and were intent on expanding relations, more in the '80s than the '70s, but still they were very interested in China.

Q: Were we concerned at the embassy level about the Japanese looking to China? Were we concerned that this might make the Japanese a less cooperative partner with us?

## Library of Congress

BREER: There was some concern in that regard.

*Q: I assume human rights never came up, this is the Carter administration, but were there any problems in Japan?*

BREER: The human rights report started about that time.

*Q: I think it started under Ford.*

BREER: The Japanese were offended by the remarks that we had to make about the way the minorities, including the Korean minority, were treated in Japan.

*Q: On the political/military side what was your main concentration?*

BREER: The first set of guidelines set out the rules and ways we would interact in the event of an attack on Japan. There was no codification of what Japanese entities would do to support the American forces in the event of an attack on Japan or other emergency crisis. In 1977 we set about to write up guidelines of what kind of support the Japanese would provide us and this was restricted to the defense of Japan.

*Q: What was the scenario? Was North Korea a problem?*

BREER: Not then, no. The guidelines didn't cover North Korea.

*Q: Was it the Soviet Union at that time?*

BREER: It was the defense of Japan, so I guess it could have been North Korea, too. But, it wasn't us responding to a North Korean attack on South Korea..

*Q: Basically the main possibilities were the mainland Chinese and the Soviets.*

BREER: Yes.

## Library of Congress

*Q: Were we able to get much coordination with the Japanese or were we doing this on our own?*

BREER: The guidelines were done with the Japanese. It was a jointly agreed set of guidelines on how we would cooperate with each other. What kind of support the Japanese would give American forces in operations for the defense of Japan. This includes use of highways, ports, hospitals, etc. all of which are under the direct jurisdiction of the central government. Now we have a new set of guidelines which cover not only Japan but also operations in areas around Japan.

*Q: Did Taiwan enter into anything we were doing those days? Carter recognized China and we set up the American representative in Taiwan, the American liaison. Did this cause much of a problem?*

BREER: Well, the Japanese were doing the same thing. Actually, they did it before we did. Their liaison office was set up in 1979, I guess. I don't think there was much controversy between the United States and Japan on the issue. There was a lot of coordination to make sure we weren't doing anything really stupid in regards to our bilateral relations.

*Q: On the political side, was the growing imbalance between trade a major factor in everything we did during this period?*

BREER: Yes. It's acuteness depended on the unemployment rate in the United States or what town was being put out of business by foreign competition. And, that is true. There were all kinds of towns throughout New York state, Ohio, etc. that closed up. Not entirely from foreign competition because a lot of stuff moved to other parts of the country, but the political reality was that people believed it was due to foreign competition and the most prominent foreign competitor in the '70s and '80s was Japan.

*Q: I thought we might stop at this point. In 1978 where did you go?*



## Library of Congress

BREER: Back to the Department to INR.

*Q: Were you on the Japanese side in INR?*

BREER: I was the director for northeast Asian research.

*Q: All right, we will pick it up at that point.*

BREER: Good.

\*\*\*

*Q: Today is August 16, 1999. Bill, we are at 1978 in INR (Bureau of Intelligence and Research). You were in INR from when to when?*

BREER: From the summer of 1978 until the summer of 1980.

*Q: Your responsibility was Japan?*

BREER: Mainly Japan, but I was director of northeast Asia.

*Q: How did you find INR fit into the American foreign affair community?*

BREER: As an instrument. The greatest effort in INR was the daily president's morning briefing from the secretary. It was kind of in competition with a similar CIA report. It was a healthy competition I thought. I felt we produced a consistently superior product with a reasonable amount of expertise and strong intellectual qualities. The question for the Department then as now is whether the leadership in the government wanted to accept the analysis and recommendations of experts. It was presented every morning and it was presented later in longer thesis, National Intelligence Summaries. So, it depended on the consumer and it still does, I think.

## Library of Congress

*Q: Did you have the feeling that at that time there was a goorelationship with the Japan desk?*

BREER: Oh, excellent.

*Q: Sometimes you have people on the desk who feel they know all thiand doesn't use the in-depth work that INR can do.*

BREER: No, I felt we had a good relationship with the whole EasAsian bureau.

*Q: You had northeast Asia. What did that consist of then?*

BREER: It was basically Japan, Korea and China. I didn't claim to be a China expert. We had China experts in the office and both officer directors of INR East Asia, when I was there, were China experts, David Dean and Bob Drexler.

*Q: So, you were concentrating on Japan and Korea?*

BREER: Right.

*Q: In this period what was happening in Japan that was of interesto us?*

BREER: There were a couple of things. There was the troop withdraw issue from Korea which came up in the 1976 campaign and which was finally put to rest, I think, in 1978.

*Q: Well, they had done some shuffling around moving out some Hawbattalions.*

BREER: And then the whole issue was dropped in 1978 because of Bill Gleysteen, ambassador to Korea, who had some discussions with the president on the issue.

*Q: I think that actually came in 1979.*

## Library of Congress

BREER: That was one issue and then, of course, the normalization of relations with China was another issue at the time that China was invading Vietnam and the role Japan played in that. The Japanese were uneasy about both issues. They were uneasy about troop withdrawals and uneasy about what was going on between China and Vietnam. I think they welcomed American normalization with China that took place.

*Q: Had the Japanese already normalized relations?*

BREER: Yes, some time before we did, but I can't remember the exact date.

*Q: Was Taiwan included in your bailiwick?*

BREER: Yes, but that was really handled again by Drexler and Dean.

*Q: We were looking at a new generation in Japan that had grown up after the war, did we feel that the relationship might be different or had the new generation begun to emerge on the political scene by that time?*

BREER: It was a new generation of people who came of age during and after the war. [The present] finance minister was on a U.S.-Japan student exchange in 1940. He is one of the older members of the new generation but he really wasn't the wartime generation like Yoshida and others who matured during the war. So, yes, the second post war generation had begun to move into place by that time.

*Q: Do we see Japan moving towards an even stricter neutralism? Were we concerned about Japanese-American relations at this time?*

BREER: There were trade issues that were beginning to crop up at that time. At some point, I can't remember exactly when, Japan was interested in a dialogue with North Korea. They were kind of out ahead of the rest of us on that. The Iran hostage crisis came up then and the Japanese were supportive of us. But, they were also worried about their

## Library of Congress

oil supplies. So, they were pulled in two directions on the issue. But, I think essentially they supported us on that. They were a little disappointed with the failure of the rescue operation. That was 1980 and the release was January 1981. I can't remember what the major trade issues were of the time. Steel must have been hanging in there. Textiles were a continuing issue. It was the beginning of automobile competition and quotas came about later on. I don't think there were any raging issues in our relations at the time.

Q: Was the Japanese attitude on the northern islands vis-a-vis the Soviet Union a raging issue or was that just something that had gone on for years?

BREER: It was something that had gone on for years and wasn't a raging issue at that time. It never really has been a raging issue but the Japanese have always asked for our support. They have never asked for our intervention.

Q: I would assume that our attitude was one of this is a great issue because the Soviets don't move on it and the Japanese don't thus keeping the relationship between Russia and Japan cool which is to our advantage.

BREER: Which was to our advantage. I think after the collapse of the Soviet Union we wanted more Japanese financial help at one time for Russia than they were willing to give because of this.

*Q: Moving over to Korea.*

BREER: We had the assassination of Park Chung Hee.

Q: But prior to that, will you talk a little bit about what INR was doing? Were we doing papers showing what it would mean if we withdrew the 2nd division and that sort of thing?

BREER: That was kind of before I got there.

## Library of Congress

*Q: Carter came in in 1977 and immediately there was concern but with the usual kind of back peddling.*

BREER: Wasn't there an NIE done shortly after that, that was done deliberately to defeat the troop withdrawal issue?

Q: I expect so. I was in Korea at the time and on the country team and we thought this would uncork the bottle and maybe let the genie out if we weren't careful. It was apparent to all that this was one of those nice little campaign promises made in Chicago or some place that didn't play very well in the real world. When was the assassination of Park Chung Hee?

BREER: The fall of 1979.

Q: Did that cause everyone to run to the books to try to figure out what the assassination meant for South Korea, a possible opening towards democracy?

BREER: I don't think we ever saw it as an opening towards democracy because there was just no chance. The military took charge right away. Chun Doo Hwan didn't emerge for another few months, although he was a player.

Chun Doo Hwan took over by the time of the Reagan inauguration in 1981 and worked out a deal to come here as the first visitor of the Reagan administration. I can't remember the exact sequence of that but by the time Chun Doo Hwan came here I was at the Korea desk and we were working on how to treat him. His treatment was correct but not very warm. I went to a reception for him.

*Q: Prior to this, during the Carter administration, was human rights something that INR would look at?*

## Library of Congress

BREER: I guess we vetted human rights reports but my part of IN didn't have any part in writing them.

*Q: Basically human rights was done elsewhere?*

BREER: It was done in HA (Bureau of Human Rights and Humanitarian Affairs).

*Q: What types of things would you be doing on Japan and Korea? Whither Japan? Whither Korea? Or was it much more case specific?*

BREER: It was much more day to day stuff. Producing things for the daily summary. I had a Japan expert and a Korea expert and China expert working for me and I can't remember any long project that any of them did.

*Q: Were you able to draw on the academic world, or was there much to draw on?*

BREER: We had occasional conferences with academic specialists and I kept in touch with friends that I had during my time at Columbia University.

*Q: You say you had a China person, a Korea person and a Japan person. Were these people who had served there? How was INR staffed?*

BREER: The Korean and Japanese people were both academics. I think they had Ph.D.s.

*Q: And had been dealing with this for some time?*

BREER: Yes.

*Q: So, you had a real depth of expertise.*

BREER: The China person was one of our leading China experts and is back there now. At the end of my tour she went off to China for a two-year tour at the embassy.

## Library of Congress

*Q: When I worked in INR as an analyst for the Horn of Africa my sole experience for the area was when I was in Saudi Arabia I had a house boy who came from the Horn of Africa. I read my way into it but didn't have much in the way of knowledge. And, this is true of a number of people in INR.*

BREER: I think East Asia had people who were all experienced and thSoutheast Asia part did too.

*Q: When I was in INR it was around 1960 and Africa was just openinup and we didn't have much to deal with.*

BREER: We had more depth in East Asia.

*Q: In 1980 did you leave before the election?*

BREER: Yes.

*Q: And then you went where?*

BREER: To the Korea desk.

*Q: And you were there from 1980 to when?*

BREER: To 1983

*Q: During this 1980-83 period you say you got involved in the visiof Chun Doo Hwan. How did that go?*

BREER: I was doing a lot of the detailed logistic work which one gets involved in and although a lot of that is handled by protocol there is a certain amount of liaison. I think the visit went very well. I kind of resented the fact that this guy had been invited to the White

## Library of Congress

House as the first guest of the new administration, but the trade off was saving the life of Kim Dae Jung, I think, so that wasn't a bad thing.

I forget when Gleysteen came home, possibly the fall of 1980, but there was a big gap in ambassadors for a number of months. His successor didn't get out there before the spring of 1981. So, we dealt a lot with the charg#, John Monjo, who had been Gleysteen's DCM and with whom I had studied Japanese in Japan in the '60s. There was heavy, heavy pressure on Chun Doo Hwan to lighten up and not to go after his political enemies and to have a more liberal free regime, which he constantly resisted. When was Kwangju?

*Q: Kwangju came up under Gleysteen.*

BREER: So it must have been before the visit.

*Q: Was Kwangju while you were in INR or on the desk?*

BREER: I can't remember.

*Q: Were you working on the aftermath of Kwangju?*

BREER: Oh, yes. U.S.-Korean relations were extremely sensitive because we had Carter's administration whose whole foreign policy was based on the protection of human rights overseas and was pushing for the expansion of human rights and protection of individuals from their governments. And, we had a regime in Korea that came in and just sort of took over and dominated everything. It suppressed the free press. So, there was huge tension between Washington and Seoul.

*Q: Did you feel a change in the emphasis of human rights when the Reagan administration came in?*

BREER: Yes and, of course, the military in communist Korea played a huge role in setting priorities and operational policy in Korea. Their major concern was not showing a sign of



## Library of Congress

weakness or discombobulation in the South that might encourage the North to make a move. So the need to display a solid front with South Korea towards the North, coupled with the human rights and democratization issue, the security side usually came out on top for most of that period of time. So, democracy and human rights concerns were tempered by the display against North Korea. And, North Korea was stronger than it is today.

*Q: Oh, yes. What was your feeling towards our knowledge of North Korea and what it might do? Was there much?*

BREER: I think it was probably exaggerated. I think it was hyped a little bit to turn around the troop withdrawal decision. Again, I think North Korea had a much more modern military force in those days than it has now. The regime is still on the dole from Russia and China. It was not an impoverished regime as it is today.

*Q: I was there from 1976-79 and I think wages hit over a thousand per capita around that time and has continued to go up. Were we getting much intelligence about North Korea? I assume you had North Korea under your bailiwick.*

BREER: I don't recall that the intelligence that was gathered was strikingly useful or if there was very much.

*Q: I think that continues today. I remember around this time it was conventional wisdom that if there was a war, the North Koreans could take Seoul within a week or three or four days, but eventually would lose after horrendous casualties on both sides.*

BREER: I don't think they could take Seoul today. Some people say that the north of Seoul is so built up that there are so many obstacles to moving a vast army now that it would be hard. Artillery could reach Seoul but I don't think it could wipe out Seoul.

*Q: Even back in the late '70s there were a lot of obstacles.*

## Library of Congress

BREER: Well, we didn't know about North Korea and had to assume the worst.

*Q: Did you find that Ambassador Walker was taking a different line than Gleysteen?*

BREER: I don't think so. Walker is a very gregarious person whereas Gleysteen is a kind of reserved intellectual. I think Walker was more into public affairs himself and making friends in Korea than Gleysteen. But, I think the policy line was the same.

*Q: In 1983 where did you go?*

BREER: I went to the National War College.

*Q: So that was 1983-84.*

BREER: Yes.

*Q: How did you find that year?*

BREER: It was great. We had a good variety of people. President Nixon addressed our class once, which was kind of the highlight of the whole year. There was a lot of ambivalent feeling about Nixon including how to receive him at the war college. But, he gave one of the most brilliant lectures on the strategic situation I ever heard while standing in the middle of the stage without any notes. And then he handled questions for another half hour. He then mingled with the troops outside and was just brilliant.

Some of the cream of the crop of the military were in our class. The vice chairman of the chief of staff and the vice chief of staff of the air force were in our class. Two guys out of our class eventually made four stars.

*Q: Did you find these contacts helped you later on?*

## Library of Congress

BREER: I saw some of my classmates in Japan where I went to be political counselor after the war college class. One of the air force colonels commanded Misawa base at that time. I saw him in Japan but we really didn't do any business together. He now has four stars.

*Q: Did you get any feel for the rejuvenation of the military by thitime?*

BREER: Oh, yes. These guys were all full of vim and vigor and were really hard chargers looking forward to the Reagan administration beefing up the military. For the most part in lectures and discussions these guys were very thoughtful people.

*Q: Well, then you went as political counselor to Tokyo from 1984-87?*

BREER: Yes.

*Q: Who was the ambassador?*

BREER: Mike Mansfield.

*Q: Had the political situation in Japan changed much when you gothere from the way it was when you were there before?*

BREER: If anything, I guess by that time, the LDP had strengthened recovering its grip on power. The prime minister was Yasuhiro Nakasone for a good part of the time and I think the LDP was gaining more confidence. Nakasone was a confident leader widely regarded as a sort of nationalist leader in the slightly pejorative sense of "nationalist." It turned out that he moved Japan to even closer cooperation with the United States. He had this wonderful Ron-Yasu relationship with the president and was admired by Reagan. Those were pretty good days in U.S.-Japan relations. We didn't make a lot of progress on trade issues, which were probably the same old issues we were dealing with before and still are dealing with today. The fundamental issue is essentially that Japanese businessmen

## Library of Congress

prefer to do business with other Japanese if they can get away with it. Americans like that too, but less so.

So, those were pretty good days in Japanese-American relationships. The Japanese loved Mansfield and Mansfield spoke up on behalf of a strong American-Japan relationship as the most important bilateral relationship in the world. He also preached to the Japanese on their need to open up and give more access to foreigners in their market. It was a good time.

*Q: How did Mansfield operate? How did he use the political section, for example?*

BREER: I never had the feeling that he really did use it. He knew that we were all out talking to politicians and meeting with opinion leaders in Japan as was USIS. We had a pretty broad network of important politicians that we were in touch with in those days. For example, we were at dinners and lunches with the current prime minister, Miyazawa. A lot of the guys who are leaders now we were in touch with in those days. We reported on what was going on in Japan and the ambassador accepted and absorbed all of that. He didn't order us to do anything. We did our job, I thought in a competent way. He kind of led by example.

*Q: Were there anything that we were concerned about, perhaps having a watching brief on? The fact that the LDP had been in power for so long possibly causing concern for corruption, too many old people and lack of new ideas, etc.*

BREER: I think that was a subliminal concern. We didn't attempt to promote the LDP in order to keep them in power. Some of the opposition complained that we favored the LDP too much, but after all it was the only government with which we had to do business, not the Socialists. There really weren't any viable alternatives. The Socialists had never been a terribly serious challenger. It is very hard for political parties in Japan, even today, to have a distinctive platform and market it. The parties have never had that kind of expertise within themselves in Japan. So, it has been since the war that the LDP and the senior

## Library of Congress

bureaucracy working together devised policy, and they were successful for a long, long time. But, as you say, it did get a little bit corrupted and a little bit too cooperative and a little bit creaky which has led to the situation we are in today. I think we all thought about that, but I don't think anybody figured there was anything to be done about it. And, it was different from the Reischauer days. People were talking about a trend of growing opposition power in Japan and then all of a sudden that sort of stopped and it became apparent the opposition wasn't going to take over the government for a long time. Eventually they did in the coalition of 1990, but during the '80s that wasn't really feasible.

*Q: Were there any areas of concern over what the Japanese were doing in regard to their foreign relations with China or the Soviet Union?*

BREER: I don't think with the Soviet Union so much or even with China. I think we probably viewed Japan as an economic competitor to some extent, which is true today. There were moves and talk about economic development in Siberia and the Far East, but not much was done about it. There was some joint oil exploration in Sakhalin and I think that is still going on today. But, no major mineral or timber exploration in Siberia partly because of the northern territories issue, partly because by the time they started getting really serious there was a glut of those things and Siberia didn't need to be opened up. That certainly wasn't a very big issue.

Managing our security relations with Japan always requires a lot of work as the U.S. wants to fly their airplanes any time of day or night and Japan is a small country with a dense population and there was a lot of irritation between the bases and the local populations. That persists today. There are economic advantages in having a base but the nuisance factor is always present and that is true globally.

One thing I didn't mention was the host nation support thing. This is another fallout from the troop withdrawal in South Korea. The Japanese were fearful that the United States was going to withdraw even more from East Asia and we were running out of money in

## Library of Congress

the late '70s. So, we entered into talks for host nation support. That is the Japanese would subsidize our presence there through a variety of ways. I think they started out paying the labor force and we started a construction program under which they spent billions of dollars and basically rebuilt all of our facilities. I don't think we have a collection of more modern facilities than our bases in Japan. That is still going on in Japan to the tune of about \$5 billion a year. But, that is something that the Japanese put into place in the late '70s and modified through the '80s.

*Q: This was to keep us there?*

BREER: Originally to keep us there. And then it was in response to arguments in congress about the free ride Japan was getting despite earning a great deal of foreign exchange. It is going to be controversial again I think because now they have been spending eight or nine hundred million dollars a year on facility improvements and I think they have just about finished the job. Yet, we want them to continue spending the money. That is going to be an issue in the next year or two.

*Q: Were we seeing any effort on the part of the Japanese to exert influence around the world in foreign policy or trade?*

BREER: During the '80s the Japanese economy was still growing and their foreign aid ventures were increasing quite dramatically until they finally surpassed ours in the early '90s. Japan is a greater aid donor than we are now and much more diverse than we are because ours is basically two or three countries. Yes, Japan was expanding its investments tremendously throughout Southeast Asia and all over the world, really. And, then in response to complaints here about imports here, Japan began to establish factories here. And then the yen appreciated and it made it even cheaper to do business here, more attractive. So, yes, during the '80s there was tremendous global expansion by Japanese financial and commercial interests. At one point Japan was a leading banker in New York. That is gone now.

## Library of Congress

*Q: Was there concern in the embassy about Japanese investments in the United States during the '80s?*

BREER: The Waikiki hotels I think were bought in the late '70s or early '80s. Then in the mid '80s came all of the trophies here, movie studios, big buildings in New York, golf courses, etc. I don't think we were all that sensitive about this in the embassy, but it was obviously beginning to bug people here. There was a kind of hysteria when I came home in 1987 about Japan owning the United States. A lot of people were on that bandwagon for a while until the Japanese bubble burst.

*Q: Were we looking at the Japanese people and wondering how long they would put up with all this money that didn't seem to be changing their way of life from our perspective?*

BREER: Still in the '80s there was a huge building boom of houses in suburban residential areas and they were very expensive. Buyers of these new houses are really suffering now because although their house values are down they are still paying a big mortgage. Our assessment of foreign living standards is very ethnocentric, thinking about upper middle class point of view and doesn't take into account that 20 percent of Americans live in very shabby housing. You drive through London and see all of these high rise apartment buildings and they are about the same size as Japan.

*Q: I just came back from London and a significant portion of the housing is substandard, old and not particularly clean and falling apart.*

BREER: Yes, and there is a lot of that in Japan, too.

*Q: How did you find living there?*

BREER: It was terrific. You had to learn how to avoid large traffic jams by returning to Tokyo Sunday afternoon, and things like that. Otherwise it was great. The air was good. Tokyo is a wonderful city with restaurants of all kinds.

## Library of Congress

*Q: Did the cost of living hit our people?*

BREER: Sure because the yen appreciated dramatically in the mid '80s and it became very expensive. But, we had fairly substantial COLAs (cost of living allowance) and we also had access to embassy shopping facilities. We had a store in the embassy.

*Q: In 1987 you left and whither?*

BREER: To be country director for Japan.

*Q: And you were doing that from when to when?*

BREER: From 1987-89.

*Q: Were you finding yourself in a very narrow path vis-a-vis your colleagues in the foreign service? Did you feel limited?*

BREER: Specializing in Japan had a huge satisfaction, it being an interesting country and with the language it is pretty easy to get around. It is a country that is different and intriguing which always keeps you trying to figure out why. And, of course, it is a tremendous strategic and financial economic interest to the United States and there are problems connected with the relationship. I did feel that I didn't know much about the rest of the world, but it was satisfying to be really involved in an important place.

*Q: The year 1987-89 were the end of the Reagan years. What were the concerns in that period?*

BREER: Well, relations were quite good because of Ron-Yasu and the White House kept a lid on the sharper aspects of trade issues and what developed several systems to deal with trade. We had periodic discussions and made some progress on trade issues, I think. Also in agriculture. Rice was a major issue throughout the '80s and still is. A high tariff was slapped on rice. But, rice is a core, emotional commodity to the Japanese. I



## Library of Congress

used to explain to the Japanese audiences saying "You guys say that rice was grown by the emperor in the year of 4000 BC or something like that and it is sacred and is key to your diet and all of this jazz, but we have a commodity in the United States that is very dear to the hearts of the American people, too, and that is called an automobile. We have free trade in cars and you guys don't." They didn't understand that. They didn't make the connection at all.

We had several good exchanges with Reagan and the Japanese prime minister. Shultz believed very strongly in the U.S.-Japan relationship and was able to fend off the sharper traders. But, he understood the importance of Japan and knew it was a difficult problem. I remember one time Shultz came to Tokyo and I was sitting in on a meeting with him and the foreign minister, Abe, who died a few years ago. Shultz always brought along chocolates to give to him to remind Mr. Abe that there was a quota on the import of chocolate. He told Mr. Abe, "You know, right now Japan is running a huge trade surplus with the United States and this means that some day Japan is going to have to start running a deficit because we can't run a deficit forever." And Abe gave him a look that said, "What do you mean? A surplus is just a matter of course and Japan's due."

Shultz really liked to get at the heart of things. He didn't like briefing books. One morning, Gaston Sigur and I were in Shultz' private office and the fire was going and the prime minister was meeting with the president and he just took this book and tossed it across the room and said, "Now tell us what the real issues are that you think the president and prime minister should discuss." So, there was genuine interest in Japan at the highest level.

After I came back to Washington, I guess the major issue was the FSquestion.

*Q: The FSX was an airplane. Explain what that was.*

BREER: The Japanese wanted to develop a follow on aircraft to the F4 which had been co-produced in Japan and they were determined in the mid '80s to design and build their own and wanted whatever technical assistance was required. They were really off on the

## Library of Congress

path of building an independent aircraft independent of the United States. We said that we had the F-16 here and it is really a good plane. It is going to be hard for you to beat this. It has been tested for years and is really cheap. We would be happy to sell this to you. The Japanese said, "No, we really want the experience." Finally, after heavy, heavy pressure we reached a compromise and decided to do a joint development which was called the FSX, which I think is now called the F2 in Japan. We reached agreement in the fall of 1987 on the division of labor for building this plane and most of the discussion was handled by the Defense Department and the Japanese on the other side. Other agencies of the government were not brought aboard. Commerce said, "Wait a minute, you guys are going to transfer all of this technology and allow the Japanese to get away with murder, etc." So, just a few days after Bush was inaugurated, they got to Bush and briefed him and he said he didn't like it. He wanted the arrangement the way we agreed to in the end of 1988. So he told Baker to look into it. We reexamined it and at the emperor's funeral, Baker told the Japanese foreign minister that we were going to have to renegotiate the FSX agreement. Of course the Japanese were flabbergasted. But, Commerce was thrilled and I think some American industries but American industry already had a piece of the action in the 1988 agreement.

So we tore it apart and went back through the whole thing and renegotiated. I think we came out about where we were before. There have been a few prototypes but it still is not flying. But, the co-development process, from what I understand, went pretty smoothly. The American and Japanese engineers got along well and the two companies working on the project got along well.

Q: Well, the concern that really goes back to the 1930s is that the Japanese will take how we produce things and maybe add some modification but essentially end up producing something that they can sell cheaper than we can.

BREER: Yes, but it is already hard for them to do that because their labor costs are just about as high as ours are and they don't have the cost advantage that they used to have

## Library of Congress

for doing things like that. We have another problem right now in the satellite business. The Japanese politicians decided they needed their own satellite. We say that we are supplying them everything and they don't need a satellite, which is true. Our liaison on the satellite issue was right on. If there were any problems with getting information it was an internal Japanese problem not ours. But, there is a certain amount of national pride in developing your own satellite and there was commercial interest.

*Q: Was there any spill over of the Iran Contra affair? Were the Japanese involved in that at all?*

BREER: I don't think so. The Japanese ever since the Iran embassy business have always wanted closer relations with Iran and wanted to do more things with Iran. That is probably true today. Of course, everybody else wants to normalize relations with Iran, too. The current Japanese ambassador here had served as ambassador to Iran at one time and he was an advocate of a more active relationship and more open trade.

*Q: During this time, how was the Japanese embassy working? Were they doing well as far as dealing with congress and other elements of the American government and the public?*

BREER: Yes, I think so. They had an ambassador from the French school whose English wasn't all that good, but he certainly was a hard worker and believer in the alliance. He is still just as active now as he was when he was ambassador. He never slept. He didn't drink but he chain smoked and played mahjong every night. He is still doing the same thing.

*Q: Were we having any strains with the China relationship?*

BREER: I don't think so.

*Q: Tiananmen Square didn't happen on your watch did it?*

## Library of Congress

BREER: That was in 1989 so it was at the end of my watch.

*Q: Were the Japanese as horrified at what happened?*

BREER: Oh, I think so, but they weren't as bold in doing something about it as we. They don't always feel that there is something that can be done about things like that. Our system always demands that we do something.

Q: This is often the case. How the United States reacts to things is often different than the way other countries do. Other countries, particularly in foreign affairs, think it is terrible but don't feel they can do anything while Americans feel they have to do something.

BREER: So, we kick the Serbs out of Kosova under the guise of creating a multi-ethnic state. Really what we should be negotiating for in the Balkans is ethnic states.

*Q: I think this may be a good place to stop. We will pick this up the next time in 1989. Where did you go?*

BREER: DCM Tokyo.

*Q: From when to when?*

BREER: From 1989 to 1993.

\*\*\*

Q: Today is October 12, 1999. Bill you are DCM in Japan from 1989-93. I can't think of a job that is more foreordained for you. How did that come about?

BREER: I was office director of Japan affairs in the State Department in the spring of 1989 and Mike Armacost was nominated and shortly thereafter he asked me if I wanted to be his DCM.

## Library of Congress

*Q: What was Armacost's experience in Japan?*

BREER: He had been there as a teacher at ICU (International Christian University) in 1969. I guess he had been teaching at Columbia University before that. Then he had served as the special advisor to Ambassador Ingersoll from 1972-74. Then he had worked on Japanese affairs and after that, I think, went to policy planning. He was the deputy assistant secretary for East Asia in the Defense Department, deputy assistant secretary of state for East Asia, and may have served at the NSC.

*Q: The ambassador sets the ground rules as to how he is going to use his DCM. How did Armacost use you?*

BREER: Mike was a kind of hands on person. I think he used me to make sure the embassy functioned properly, that any visitors were accommodated properly and as an advisor. We talked about policy a lot. He didn't really set out specific ground rules. He just sort of expected that I knew what I was supposed to do and what he wanted to have done. We were together a lot. I was in the meetings with him and all the important visitors, which is kind of traditional.

*Q: Obviously you had been dealing with it in Washington, but when you arrived back in Japan did you find the political climate was changing in Japan?*

BREER: Not when we arrived so much. We were through with the FSX issue although its after effects were still being felt in Japan, but we had a deal for co-production and were moving ahead with that. Japan was still booming and the Japanese were full of vigor and dollars. I don't think the political climate had changed all that much.

*Q: Would you say that around 1989 the United States was suffering decline?*

BREER: Well, yes. Many Japanese thought that we were on a permanent decline and would never recover economically and they were on a permanent upward path which

## Library of Congress

would never taper off or decline. So, the crash the following year was a shock to the Japanese.

Q: Did you find that this had any repercussions in how the embassy and the United States was dealing with Japan? Was there a feeling that maybe these guys have the answer?

BREER: I think that was a more general feeling in American business because I think during the '80s despite the trade problem and complaints about unfair practices, etc. they were trying to figure out what made Japan tick. We certainly came back with more competitive vehicles in the '90s. So, I think we learned from the Japanese experience of the '80s in terms of quality and on-time delivery.

*Q: Was there any feeling of wait until next year because the United States was beginning to retool and rethink business practices?*

BREER: I didn't feel that at that point. I don't think it was a wide spread feeling in the United States that we were on the way back. I think we were still kind of gloom and doom at that point.

Q: How did you find all these disparate groups that huddled around the embassy or were attached to the embassy like trade, FBI, etc? It is a huge embassy and practically every department had a representative there. How did they fit together?

BREER: Loosely. The trade people, though, I think gained considerable amount of presence in Japan. The foreign commercial service was gaining some momentum at the end of the '80s and had some very bright people in Japan who were aggressively seeking out issues and solutions for them. A major one was the Narita International Airport which was in the early stages of planning in 1988-89. It was a big part of our construction industry negotiations with the Japanese in the '80s and '90s. I discovered huge turf problems among law enforcement agencies which I don't think I ever did resolve

## Library of Congress

because those can be resolved only in Washington when these guys figure out the line of demarcation on drugs and currency laundering, etc.

*Q: Was there concern about possible Japanese mafia and our own connections?*

BREER: I don't think it was that strong in those days, but there was concern about drugs and the Japanese were in a period of denial about drug use by Japanese. Japan was the most affluent market in the world, although I don't think the problem ever approached the level that we had here at that time. There was some coordination but it was an uphill effort.

*Q: Did the turf wars between DEA and the FBI and all cause an embarrassment for the embassy?*

BREER: It was pretty much an internal turf war although I'm sure the Japanese knew what was going on.

*Q: Was there any problem working with the trade representative organization to keep them from being overly aggressive?*

BREER: I can't think of any incident when we tempered our trade policy because of security interest.

*Q: This a time when there is considerable sort of Japan bashing in the movies, editorials, etc. The United States was feeling hurt that it was not considered number one. Did that cause you problems?*

BREER: I think most of us were interested in and hoped for a more constructive engagement because we had major security interests and the cold war wasn't over yet and we needed at least cooperation to continue our foreign policy aimed at having peace and stability in the region. And, also aimed at deterring North Korea and providing a platform from which to operate in Korea in case of an emergency. In retrospect the FSX issue was not so much a crisis or setback in U.S. relations as much as it was an issue that had to be

## Library of Congress

dealt with and we had to find some way to reconcile the ambitions of Japan to built its own aircraft which was kind of understandable with our trade problems and the interests here of playing a role in whatever advanced aircraft the Japanese make and protecting American commercial interests. In other words, there was a strong feeling here of why shouldn't the Japanese buy aircraft right off the shelf from us when we had a trade deficit with them. Wouldn't that help balance the trade deficit.

*Q: Also, President Bush was from Texas where General Dynamics ilocated. Was that at all an issue?*

BREER: Not directly, but obviously it may have been more directlconnected with other parts of Washington.

*Q: During the time you were there how did this play out?*

BREER: It played out that everybody sat down and went to work to build the FSX. I have forgotten the exact division of labor but we were to provide computers and the Japanese were going to manufacturer a super high tech kind of plane. We did haggle over the division of contracts and I have forgotten exactly how it was worked out but it was something like they got 60 percent and we got 40 percent. The American contractors moved a whole bunch of engineers and I think everybody sat down and worked the night away and tried to build this airplane. And they built it. There have been some test flights and I think they found some problems with the wings. I'm not sure if it is flying yet.

*Q: When you were there did Okinawa cause any problems?*

BREER: I don't think there was any major incidents in Okinawa, but Okinawa is always a place that is somewhat contentious. American bases occupy a great deal of land in the southern part of Okinawa. We had consolidated, moving out of bases near downtown Naha by the end of the '80s and many of them are still vacant. But, still it was taking up a high percentage of a restricted land mass and injecting a large number of U.S. forces and



## Library of Congress

families into a densely populated alien land space is not easy. But, I don't think there were any huge problems at the time.

Q: You were there during the tremendous changes in our relations with the Soviet Union. At the very end I guess it ceased to be the Soviet Union.

BREER: Yes. On my way to the embassy one day on passing the Soviet embassy the gates were open and they were having a flag raising ceremony of the Russian flag.

Q: *Did that cause any changes, particularly concerning the northern islands issue?*

BREER: I think some Japanese thought it was the time to take advantage of Russia and really push hard on the northern islands issue. It was a mistaken impression, I think, because the last thing Russia wanted to deal with was more territorial breakup. I think we tried to engage Japan in providing financial assistance to Russia and that was more or less successful. They were kind of reluctant, I think, given the territorial question.

Q: *What about the Gulf War?*

BREER: That was probably the biggest trauma during my entire stay there.

Q: *The embassy must have been pushing against Japan to give assistance.*

BREER: We were trying to figure out all kinds of things. Many Japanese colleagues were trying to work with us to find ways in which Japan might be seen as supporting the western effort. We talked about using [Japanese] aircraft. We talked about Japanese aircraft for transport, ships for transporting goods and moving refugees. We tried all kinds of things and nothing visible ever worked given Japan's constitution and politics at the time. Finally, they first put up \$4 billion and then \$9 billion for support of the cost of the war. Neither one of those ever got much publicity. So, Japan didn't get much credit for their help but got a lot of criticism for not being on the scene. It was a period of really serious strain in Japan, strain between us too but, there were Japanese who were embarrassed that Japan

## Library of Congress

couldn't find a more positive way to support the United Nations. Itchino was one of them and is still around in politics and pushing for Japan to be able to send troops abroad. He called it "normalization." That led, I think, pretty directly to the split in the LDP and the current political situation we have now with a coalition situation.

Q: How did we feel about Japan being a "normal" nation. Germany has gone through the same trauma and after all the war has been over for more than fifty years. In a way we have all grown comfortable with a Japan that is sort of out of it and wasn't intruding its own interests and more or less following what we wanted or at least staying out of the way. Were there internal debates about what we wanted Japan to do?

BREER: There were debates in Washington. Most of the Japan experts understood that Japan was not going to be able to participate militarily or even in a support role. They did dispatch minesweepers to the Gulf after the war was over. They played a crucial role in cleaning up the Gulf and they were exposed to some danger. At the same time we all believed that Japan could and should play a more responsible role. We had been urging Japan for a decade to play a more responsible role in the [Middle East]. But our definition, of course, was as we see it. But, this was one time that despite the fact they have the constitutional restraints, political restraints, and legal restraints, I think a lot of people were acutely embarrassed by Japan's inability to move quickly to play a big role. They didn't come through with their second contribution of money until the war was almost over. But, they did pay it in full. Between the time the Diet appropriated money and the time it came to pay it, the yen had appreciated to the tune of \$6-700,000,000. We said they had promised us \$9 billion and they went back and coughed up the foreign currency difference.

Q: Did you find the embassy in the unenviable position of trying to explain Japan to Secretary of State James Baker and President Bush? These were men who were familiar with the situation but had a crisis on their hands and they wanted more.

## Library of Congress

BREER: I think we were reasonably successful in explaining the situation. Armacosmet with the Japanese leadership a lot, privately and otherwise, and wrote a lot of his own cables about what was going on. I think Washington had a pretty good feel but that didn't make that much difference.

*Q: Did Secretary Baker come out?*

BREER: Treasury did come out.

*Q: On this issue?*

BREER: Yes. The first time was in September. Secretary Brady came out and met with Hashimoto and walked away with, I think, \$4 billion. The second meeting, I think, was January of the next year, just about the time the war ended, took place between Hashimoto and others in New York. Hashimoto and Ozawa played a key role in Japan's coming up with the money. They were deeply embarrassed by the fact that Japan was paralyzed over the issue.

*Q: What was their background? Do they represent a new generation? I'm not familiar with these gentlemen.*

BREER: They were both younger men than the leadership. Hashimoto was in his early 50s and Ozawa about 50 and were regarded as the young leadership in the party. Hashimoto was the more traditional politician. Ozawa wanted Japan to play a role and be seen to be playing that role. Hashimoto was a little more reluctant, I think, but Ozawa had the upper hand at that time. They had a very weak prime minister in Mr. Kaifu. The foreign office was under heavy pressure to try to figure out something to do.

*Q: Did it come rather quickly to the general public's attention that their oil suppliers were being challenged by Saddam Hussein's invasion of Kuwait?*

## Library of Congress

BREER: Yes, but, there was also a feeling in Japan that oil could be obtained at a price. If Iraq took over Kuwait they would still have to sell their oil.

*Q: Was there still the same sense of outrage that I think hit the United States?*

BREER: I don't think quite as strong.

*Q: How about the takeover?*

BREER: There was a feeling that Kuwaiti leadership was no better than any other leadership in the Middle East, no more democratic.

*Q: The Kuwaiti leadership is one of the problems.*

BREER: They are back in there now aren't they?

Q: Yes, they are back in. I have talked with people who have dealt with it in the area and the Kuwaitis seemed to have gone out of their way before to stick it to the United States. In other words, it was not considered a really friendly regime.

BREER: I never thought we should reinstall them.

Q: Well, I guess we had a real problem there. How about the financial shock, the stock market crash? Were warning bells going off by our economic counselors, etc?

BREER: Yes, I think everybody was skeptical of the stock market at whatever it was, 37,000 yen with P/E ratios off the chart, much worse than our market is today.

*Q: Profit sharing ratio?*

BREER: Yes, price ratios. Market share was more important [than profits]. They have learned now that they have to have profits to stay in business, I think to some extent. Other than that, and, of course, real estate was sky high, too. There was a vacation colony

## Library of Congress

that we used to visit once in a while where land about the size of a suite or maybe twice the size of a suite was \$3 million with a house on it. They were asking that, I'm not sure they ever got it. I don't recall anyone sounding the alarm. A lot of people had gotten used to the Japanese economic and financial management with heavy leveraged debt for the private sector.

*Q: How did we respond when this happened? Were we basically observers? Did it make much difference to the United States?*

BREER: I don't really remember but it must have scared the hell out of the people here when a foreign market like that collapsed. It was the most heavily capitalized stock market in the world. People must have been scared that the whole house of cards was coming down. I don't think really that Japanese prosperity ended with that. After all, only three or four years later the market doubled. I don't think anybody realized the magnitude of the problems it caused until much later. But, during the bubble period people were putting up \$1 million property as collateral for loans that two or three years later were worth only \$250,000. I'm sure that hit some people, but I don't think it hit the general public as heavily, except that there were a lot of people who bought houses at a peak rate only to find the value of their houses were cut in half but they still had to pay the same mortgage. There is a lot of that still going on. Gradually, over a period of three or four years it became apparent that things were not going to revive immediately. The Japanese economy wasn't miraculous, capable of pulling off miracles, so there would be a decade of retrenchment.

*Q: Were there any other issues that we had to deal with?*

BREER: We had trade, of course, although it came upon the scene towards the end of the Bush administration. They had been on the scene but we had voluntary restraints that nobody acknowledged but nevertheless enforced. It gave some breathing space to the American embassy and then Toyota and Nissan were able to increase their exports.

## Library of Congress

There were disputes over parts procurement in the United States, because we found that the Japanese would build factory and also bring along a lot of their suppliers and set them up in the factory rather than buying from American suppliers. Then gradually they increased the share of suppliers. But then those companies became American so that became an issue for traditional American auto parts. Now it is all mixed up. Some suppliers supplied the Japanese as well as GM and what have you.

There was a lot of concern also about Japanese purchases of property in the United States including Rockefeller Center, a piece of Time-Warner, all of Waikiki, hotels, movie studios, etc. Half of the office buildings in downtown LA were owned by Japanese. Many feared that if the buying rate continued at the same pace, soon the Japanese would own the whole country. There was a lot of jingoism about that. I didn't notice it so much after I went to Japan, but it was certainly clear the last year I was in Japan. But, of course, the collapse of the bubble slowed all of that way down and then the collapse of real estate in the United States in 1990 killed their investments here as well. They took big losses on that. They took bigger losses later on in the '90s when the dollar went to 180 yen or something like that.

*Q: When you left there in 1993, were you seeing a more normal relationship? The trade issues were sort of working themselves out.*

BREER: By 1993 the trade deficit was going down. The decline of real estate value stopped the exuberant purchaser. They weren't buying real estate at bargain rates. The market crashed here in Washington. My daughter and son-in-law bought a house in 1989 and they are staying in it.

*Q: You left in 1993. What did you do then?*

BREER: I went to policy planning at the State Department.

## Library of Congress

*Q: You were doing that from when to when?*

BREER: Until I retired in 1996.

*Q: This did not seem to be a particularly golden period for policy planning from what I gather from Sam Lewis and others. Warren Christopher was a lawyer rather than a planner. How did you find it?*

BREER: I found a little interest in Japan. In the State Department, Japan was run by Michael Kantor in those days...

*Q: Who was the trade representative.*

BREER: ...and I guess by the White House people. The answer in the State Department was to leave it up to Mickey. Because of the huge trade pressures and [nastiness of] Mr. Kantor, he is not a pleasant trade leader, but none of them are.

*Q: That is not why you hire them.*

BREER: Right. We had many outside and inside [Washington] begin to worry that we were threatening the relationship by souring public attitudes in Japan as well as bureaucratic and political attitudes, too. Generally losing support in Japan of those who would generally support us. So they set up a task force to reinvigorate the security relationships. That resulted in the Nye Initiative and he, Joe Nye, and Ezra Goldberg, another prominent Harvard scholar, and a number of others pushed to reinvigorate the security side of the relationship and have it culminating in a presidential visit to Japan with a declaration on security. Well, the security relationship was really [important] but it was the political support for it and the attention paid to it by both countries that was a concern. Cooperation at the senior working level was going on. That was a result of Mickey Kantor, I think.

## Library of Congress

Q: There was much more emphasis on Pacific relations with establishment of APEC (Asia Pacific Economic Cooperation). Did that help things? You had the president going, I think to Vancouver at first.

BREER: That was later.

Q: *But, there was a certain emphasis in the first part of the Clinton administration while you were there.*

BREER: A focus on Asia, yes. It was difficult for senior Japanese officials to pay calls at the White House. It was just hard for Japanese to be heard in Washington. It was partly due to the fact that many Japanese officials and politicians want ceremonial conversations and our guys don't have time for ceremony.

Q: Was there any attempt on the Japanese to learn how the United States works. In other words, the embassy and visitors not to play the game of calling on someone at the State Department but to get out and call on congress and other people who were opinion makers?

BREER: Oh, I think the embassy people I have been involved with have done that. They have a counselor in the embassy for congressional relations and have quite extensive contacts. It is very hard to get congressional time, but I think they do a respectable job.

Q: *Winston Lord was assistant secretary for East Asian and Pacific Affairs. Did policy planning have much contact with him?*

BREER: I used to go Wins' staff meetings all the time and see him once in a while. I dealt more with the Japan desk and the deputy assistant secretary. He wasn't terribly interested in Japan. He kind of agreed with Mr. Kantor that we were being slightly had by Japan.



## Library of Congress

*Q: Did you find as time was moving on that China was moving morinto center stage and Japan was being pushed a little off to one side?*

BREER: You know, that is kind of a natural occurrence which kind of offended the Japanese. But, China is a huge problem for both of us, a huge presence. It is time consuming dealing with China but it must be dealt with. We have to figure out what kind of relationship we want to have and if we can shape it. We want to avoid confrontation but at the same time we have a few principles that we can't concede on. Indeed, China in some ways is a question of war and peace in a long term sense, but Japan is not a question of war and peace now and is not likely to become so. So, it is kind of a different dimension, a different level of concern. And, of course, during the '80s China was moving along while the Japanese economy was stagnate. So, American enterprises hugely interested in expanding business with China go through procurement. There are a number of things that are made in China now that consumer here buy. China labels must have tentupled the last decade. It is astonishing. China has a huge mass of people and we don't really know what direction it is going in. There is room for instability. There is a huge contrast between the coast and inland areas. There are around 200 million unemployed. But there is also something else hitting them, which is a declining birth rate three decades from now.

And as we our Japan relations, we have our disputes and spats and what have you, but we have those with everybody, including Canada over salmon, trees, wheat, etc. So you have to stand back and sort of say it is kind of normal. We do a lot of business that the government is not involved in, like 98 percent of it, and the rest of it the government has to be involved in. But Japan doesn't present the strategic challenge that China does. At the same token in view of China's strategic problem we have picked up stronger relationships with Japan. I don't think that was totally clear to parts of the administration. They just sort of took that for granted.

## Library of Congress

*Q: Going back to the time that you were DCM, the Tiananmen Squarincident was in June, 1989. Were you in Japan at the time?*

BREER: No, I was here.

*Q: How were the Japanese looking at China at that time? Did the share our concerns or were we on divergent courses?*

BREER: I don't think we were on divergent courses. It was upsetting to the Japanese, but I don't think they had the confidence that third country actions could have that much effect on human rights, democracy and justice. We are not sure we can either and have to fire very evenly around the world. But, I think we tend to feel that we can affect such situations and the Japanese tend to feel [differently]. The Japanese don't have the tremendous power extension that we have. If we didn't have this huge military establishment it wouldn't even occur to us to interfere.

*Q: What was the role as you saw it of the policy planninorganization at the time you were there?*

BREER: There was a very brilliant head of policy planning who was totally non-traditional and not interested in tomes. He was not particularly interested in Japan. He felt he had bigger things to worry about as did the secretary.

*Q: Who was head of policy planning?*

BREER: Jim Steinberg. He is now the director of the NSC, national security advisor. He felt that his particular expertise would be better spent in a very close advisory role with the secretary. So, he was constantly with the secretary. He drew on us for ideas and occasional papers, but he wasn't interested in having epical direction changes papers. There were far more urgent relationships that needed attention. The Japanese feelings were hurt they didn't get more attention, but they got about as much attention as Great

## Library of Congress

Britain, Germany and France did, or Canada. I think the president's decision not to stop in Japan on his trip to China was a mistake and perceived as an insult. And I think some of the things that we did sort of treating China in a positive way and Japan negatively at the same time was not helpful. It is ridiculous to think you have to talk to an eager China or Japan. They are both important countries and we should have reasonably good relations with both of them. We have to do business with both of them. I guess for years I always thought it was a huge goal to have good relations with Japan. Well, I think it is nice to have good relations with Japan but the more important goal is to get the United States and Japan to do things together and have a constructive [dialogue].

*Q: Of course, having good relations sets the stage up to a point. At a certain point self interest on both sides begins to kick in.*

BREER: We always strive for enlightened self-interest.

*Q: Oh, yes.*

BREER: Sometimes, I have never been able to figure out what thinterests are though.

*Q: This is often a problem, particularly of political ambassadors in that they want to be liked and go everywhere. This is nice, but I don't think this makes any particular difference at all to relations. But, I suppose it is endemic to the diplomatic business and it probably helps till the garden a bit.*

You retired in 1996 and what did you do?

BREER: I came here to the Japan chair at CSIS (Center for Strategilnternational Studies).

*Q: What does CSIS do vis-a-vis Japan?*

BREER: CSIS is publicly supported so we need financial contributions from everyone in government. We are non profit and clearly non-partisan compared with other think tanks

## Library of Congress

in town. So, there is a certain amount of chatting with government. When I came here we were doing a major joint committee project on U.S.-Japan relations called the U.S.-Japan 21st Century Committee, headed nominally by George Bush and Tiji Ozawa, who was the finance minister and had been prime minister of Japan. The chair on our side was Bill Brock and the Japanese chair was a prolific thinker and writer, a critic of Japanese management but he is also [a] director general right now. We had a group of ten members on each side to discuss various issues in U.S.-Japan relations. We decided at the outset that we would have each side analyze itself rather than have the Americans pick on the Japanese and the Japanese pick on the Americans and figure out what we can both do to help our nations cooperate and face the issues of the 21st century. We discussed third world issues, a third world war, social security, population, etc. We met four times and published a paper.

In addition I write an op-ed occasionally on Japanese issues, but basically Japanese relations with [the U.S.] when there is a summit meeting or something like that. I sponsor a number of speeches and discussions with prominent Japanese who come or perspective press conferences before summit meeting. I got the Japanese ambassador to give his farewell speech here. We had a seminar last week and the discussion was run by the chairman of Japan's fair trade council. We are having another one next week on security and trade and financial issues. Then we are engaged in helping the rest of the center in the Golden Age of Initiative and helping to round up Japanese for participation. We are going to do a major project on U.S.-Japan relations next spring, a one day conference for which we will call in some of our senior advisors here. And that kind of thing.

*Q: Great. I want to thank you very much.*

End of interview